

Elizabeth's story

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TOMORROW: a portrait of a very royal marriage



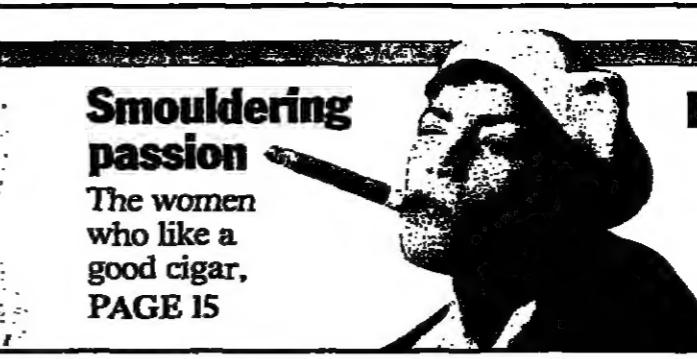
The heart of Flamenco

Spanish steps that guarantee a British following
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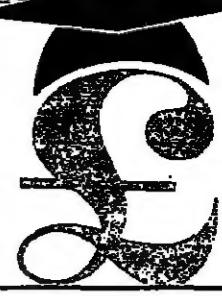
Smouldering passion

The women who like a good cigar, PAGE 15



EDUCATION

Student loans: why are they now going wrong? PAGE 30



'Why Tories are unpopular'

Thatcher blames disappointment of the middle classes

BY PHILIP WEBSTER AND NICHOLAS WOOD

BARONESS THATCHER delivered a punishing blow to John Major's attempt to bind the Conservative Party together last night when she scorned the "one-nation" Tory tradition and accused his Government of betraying the middle classes.

The Prime Minister's hopes of a new year truce between his party's warring factions were blown apart as his predecessor said that the party was in trouble because its performance and policies had not lived up to its principles.

She rejected the policy agenda of the Conservative Left and told Mr Major that a shift to the centre ground made no political sense. She condemned the pro-European wing led by Sir Edward Heath as "no-nation Conservatives".

The idea that the Conservatives were in trouble because they had moved to the right was "baloney", Lady Thatcher said in her most important speech on domestic policy since leaving office in 1990.

And she appeared to challenge directly Mr Major's warning to his Cabinet against indulging in debate about Britain's part in a European single currency. Avoiding debate about the big issues led to directionless failure, she said.

Her Keith Joseph Memorial Lecture, awaited with apprehension by her party, was more damaging than Downing Street had feared because of the starkness of her assessment of why the Conservatives are in such a difficult plight.

She told her audience to

consider why people were discontented. Was it because the Government had not spent, borrowed and taxed enough, or was it because the Government had gone too far towards increasing government spending, borrowing and taxation?

She then said, in the most wounding jibe: "The answer is obvious. We are unpopular, above all, because the middle classes, and all those who aspire to join the middle classes, feel that they no longer have the incentives and opportunities they expect from a Conservative Government."

Ignoring Mr Major's plea for unity, she said that "spills and disagreements over important issues never did a

party so much harm as the absence of honest, principled debate". And she poured salt in the wounds by singling out for praise the Cabinet rightwingers Michael Portillo, Peter Lilley and Michael Howard, and the leadership challenger John Redwood — without mentioning any other minister by name.

Conservative MPs, including those on the right, were staggered by her outspokenness, although party officials described the speech as a helpful restatement of the Conservative case and main-

tained that they were relaxed about it. Mr Major was reported to be unmoved, while Mr Redwood described the speech as a "knockout performance — star quality".

Lady Thatcher excoriated "malcontents" who claimed the Tories were in trouble because they had shifted rightwards, saying: "I am not sure what is meant by those who say that the party should return to something called one-nation Conservatism. As far as I can tell by their views on European federalism, such people's creed would better be described as no-nation Conservatism."

"And certainly anyone who believes that salvation is to be found further away from the basic Conservative principles which prevailed in the 1980s — small government, a property-owning democracy, tax cuts, deregulation and national sovereignty — is profoundly mistaken."

Lady Thatcher launched a strong attack on Tony Blair's "new Labour", but was restrained about Mr Blair himself. She admitted for the first time that there had been differences between herself and Mr Major — about how to achieve objectives rather than the objectives themselves — and she even acknowledged that her own government had made mistakes.

But these were eclipsed by the passion of her call for a return to the rightwing creed that sustained her governments.

"The Conservative Party has problems not because our analysis has been wrong



Voters "feel they no longer have the incentives and opportunities they expect from a Conservative Government"

or our principles faulty," she said. "Our difficulties are due to the fact that, in certain limited but important respects, our policies and performance have not lived up to our analysis and principles. That is why the current idea, put around by some malcontents, that the Conservative Party is in trouble because it has moved to the right — and that this is what needs to be remedied — is baloney."

Lady Thatcher's supporters said that she was trying to deliver some home truths that would help, not hinder, her party's chances of re-election. She said it was time to spell out the objectives clearly so that a re-elected Conservative Government could go further toward fulfilling them. "The attractions of opposition are greatly exaggerated by those who have not experienced it," she said.

"Judging from the opinion polls, opposition is where the electorate is at present inclined to send us. For a variety of reasons, I believe that this would be ill-judged. The Conservative Party still has much to offer. And from Mr Blair's new — or not so new — Labour Party there is much to fear. But we must not ignore the present discontent."

Labour seized on the speech as further evidence of Tory

disunity. Robin Cook, the Shadow Foreign Secretary, said: "Margaret Thatcher has taken the Prime Minister prisoner. Lady Thatcher has deliberately turned her back on one-nation Tories, and claimed John Major's agreement with her broad analysis. It is now up to him to say whether he sees himself in the tradition of Thatcher and Keith Joseph or the one-nation traditions of Disraeli and Macleod."

She praised Mr Redwood, too. She praised Michael Howard and Peter Lilley. She — well — mentioned the Prime Minister, but not quite by name.

With age comes a widening and deepening of the sources for which Lady Thatcher assumes philosophical, even spiritual, authority. Once it was Keith Joseph. He persuaded her to include Hayek. Later, Ronald Reagan joined the club. Churchill was increasingly mentioned.

But in yesterday's speech Continued on page 2, col 4

By MATTHEW PARKER

Cannabis worth £55m is seized

Shots were fired yesterday as police and customs officers seized 18 tonnes of cannabis worth £55 million at Erit, southeast London.

The haul, Britain's biggest, was discovered during a search of a container which had arrived at Feltham on January 5. Seven people have been arrested.

£1,000 bonuses
More than 3½ million savers and borrowers with the Woolwich Building Society stand to receive bonus payouts worth an average of £1,000 when it becomes a stock market company next year. Only those with the company before December 31 last will benefit. Page 21

England win
England's cricketers overcame the distraction of a floodlight failure to win the second one-day international against South Africa by five wickets. Graham Thorpe was unbeaten on 72. Page 40

Internet Times
The Internet edition of *The Times* is now available on <http://www.the-times.co.uk>

BRITONS were spared a 30-pence-a-litre rise in the price of freshly squeezed orange juice last night after the European Commission answered a government appeal to cut the cost of imported oranges.

The move will help to safeguard hundreds of jobs and ensure the

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By MICHAEL HORNSBY
AGRICULTURE CORRESPONDENT

BRITONS were spared a 30-pence-a-litre rise in the price of freshly squeezed orange juice last night after the European Commission answered a government appeal to cut the cost of imported oranges.

The move will help to safeguard

Mitterrand families unite



Daughter Mazarine turned into public figure

Mitterrand, were united in his loss. The implications of this public acknowledgement were probably far from their thoughts, but the death of her father has turned Mazarine from an almost unknown student at the Sorbonne into a public figure.

Her strong resemblance, at 21, to her father in his youth was noted by those who first saw them together in photographs in Paris' *Match* two years ago. French privacy

laws and a certain collusion among journalists prevented details of the former President's best-known secret from leaking out earlier, although he did admit in 1984 to having an illegitimate daughter.

Mme Pingot is a curator of sculpture at the Musée D'Orsay in Paris. After M Mitterrand became President, he cited security reasons and moved Mazarine and her mother to a government apartment on the Quai Branly near the Eiffel Tower, where he was a regular visitor. Mme Mitterrand remained at their apartment on the Rue du Bleve, also on the Left Bank, where M Mitterrand was said to come for Saturday lunch and Sunday dinner.

Even on country weekends, M Mitterrand distributed his time, taking Mazarine to the presidential château outside Paris. His country house at Latche was the site for official family gatherings with his sons and grandchildren.

Separate farewells, page 10

Photograph, page 20

Police hold fan of Princess

BY JOANNA BALE

BERNARD QUINN, an obsessed fan of the Princess Royal, was arrested in Liverpool last night 25 minutes before she was due to attend an official engagement in the city.

The Princess was visiting St Nicholas' church in Tithebarn Street at 5pm to meet members of a victim support scheme. Her arrival passed without incident but police disclosed later that Quinn, 53, from Weston-super-Mare, had been arrested nearby shortly before.

He was charged with behaviour likely to cause a breach of the peace and is due to appear before Liverpool City Magistrates Court today. He was being held in custody overnight. Police had staged a massive security operation during the visit amid fears for the safety of the Princess.



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Europe between December and April — but the only fruit which meets

exacting British standards for freshly-squeezed juice. Britain imports 67,500 tonnes of juiced oranges a year, all but 7,500 tonnes from the rest of the EU.

The concession to Britain, by far the biggest market for fresh juice in Europe, is technically valid only until March 31, but negotiators are confident they will be able to get it extended.

Douglas Hogg, the Minister of Agriculture, hailed the reprieve. He said the increase would have sounded the death knell for an innovative UK industry. "The battle is not yet over and we must now work for a permanent solution."

Without the concession the average shop price of fresh orange juice would have gone up from £2.39 to £2.69 a litre next month.

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Defiant Lilley presses ahead with asylum benefit cut

BY RICHARD FORD
AND JILL SHERMAN

PETER LILLEY defied the Government's own advisers on social security last night by pressing ahead with plans to cut benefits paid to asylum seekers.

In a highly critical report, the Social Security Advisory Committee rejected government estimates of £200 million savings and recommended that the plans be ditched. The 14-member body said the changes were potentially racially divisive and risked making destitute "many people who are genuinely seeking refuge in this country,

among whom may be numbered some of the most vulnerable and defenceless in our society".

But the Social Security Secretary insisted on going ahead with the new rules, which will affect up to 50,000 people a year seeking refuge in Britain.

He argued that 90 per cent of those seeking asylum had their claims refused and said the new measures, which will come into effect on February 5, were "fair and necessary". He pointed out that 70 per cent of all asylum claims were made by people who entered Britain as tourists, students or businessmen. "No responsible government

could ignore this growing misuse of taxpayers' money," he said.

Giving a statement in the Commons, Mr Lilley agreed to make one key concession by allowing those who had submitted claims for asylum or had appealed against rejection since last October to continue to receive benefit. About 13,000 people in this category will still be able to receive social security payments unless or until their claim or appeal is rejected.

The concession, which was condemned by the Tory Right, could cost the Government up to £30 million in the first year. The new rules do not apply to those who enter the

country as refugees, declaring themselves as asylum seekers at the point of entry.

Mr Lilley also said the Government would help councils with extra costs arising under homelessness legislation or the Children Act, although he refused to give a figure. The move follows a decision by two London boroughs, Westminster and Hammersmith and Fulham, to seek judicial review over the plans, which they claimed would cost them millions of pounds.

Labour immediately attacked Mr Lilley's decision to ignore the committee's report and questioned whether any savings would be

made once local councils had been bailed out. "The committee produced the most critical report in its history on these proposals," said Keith Bradley, MP for Manchester Withington. "These regulations are inhumane and unjust. They will force thousands of asylum seekers onto the streets when their housing benefit and income support is withdrawn."

Tory MPs were also concerned about the impact of the new laws on local authorities. Peter Brooke, Tory MP for City of London and Westminster South said: "Nothing could do more harm in terms of relations between the host community and

asylum seekers if the cost is simply transferred to council tax payers."

The committee, chaired by Sir Thomas Boyd-Carpenter, said the changes would involve considerable administrative costs, making it unlikely that the projected £200 million savings would be achieved. The solution did not lie in the social security system but in faster and more efficient asylum procedures.

The Medical Foundation for the Care of Victims of Torture said the changes would be "one more nail in the coffin for asylum seekers and refugees". Helen Bamber of the foundation said it was "the cruelest form of hypocrisy".

The Right praises rallying call but Left decries timing

Thatcher attack on Brussels reopens old party wounds

BY NICHOLAS WOOD, CHIEF POLITICAL CORRESPONDENT, AND ALICE THOMSON

BARONESS THATCHER'S call for her party to revert to her radical agenda delighted disciples on the Tory Right last night while infuriating the Left.

Loyalist MPs were plunged into gloom as they braced themselves for another round of infighting triggered by the former Prime Minister's repudiation of John Major's attempts to keep peace in the party.

Her dismissal of the pro-European one-nation wing as "No nation Conservatism" sparked the greatest anger, with its devotees branding her a treacherous has-been and claiming that her "mischief-making" showed how out of touch she had become.

Jerry Hayes, MP for Harlow, accused her of making a "virtue out of disloyalty". He declared: "It's unbecoming of Lady Thatcher to use her conscience not as a guide but as her accomplice. She will never be forgotten."

Sir John Gorst, MP for Hendon North, said: "While she may be talking in half-truths, I doubt whether a speech from the grave was very wise. She is — politically speaking — in the grave. I think it's unhelpful at the present time when everyone agrees that parties that are involved in internal arguments are not very attractive to the electorate."

Peter Luff, another pro-European, said that Lady Thatcher might be urging debate now, but she never tolerated dissent when she was leader.

Rightwingers pressing Mr Major to take a tougher line towards Europe by ruling out a single currency, or at least offering a referendum on it,

said they were delighted by her words.

One of the Right's standard-bearers said her Keith Joseph Memorial Lecture to the Centre for Policy Studies in the City of London was "dynamic" for its thinly veiled criticism of Mr Major's leadership style and policies. "She believes that to unite a party you lead it in a clear direction," he said.

St Rhodes Boyson, a Eurosceptic and former minister, said that Lady Thatcher would get a lot of support in the country for her views. "The Tory party has to regain the patriotic working-class vote.

Labour surge

Labour has opened up a huge lead in the opinion polls. A Gallup survey for *The Daily Telegraph* today puts Labour on 60.5 per cent, 39.5 points ahead of the Tories on 21 per cent, and the Liberal Democrats on 14.5 per cent.

To do that we need a clear policy on Europe and that means the promise of a referendum.

"I too don't think we have gone too far to the Right. The massive increase in expenditure by this Government has caused the increase in taxation, which has meant that many former middle-class supporters of our party have turned their backs on us."

Charles Kennedy, for the Liberal Democrats, said: "Lady Thatcher, in a no-holds barred attack on Europe and one-nation Conservatism, is further blowing apart any lingering hope of Tory unity."

Leading article, page 17

John Redwood

Jerry Hayes

David Shaw

Sir John Gorst

Rhodes Boyson

Peter Luff

Same old song

Continued from page 1
As the friendly host from history expands so does the enemy. Yesterday Lady Thatcher found time for a swing at Ted Heath (not mentioned by name, of course), Nigel Lawson (not named), the whole of Sweden, Christian democracy, most of Europe, Neil Kinnock and (by implication) Disraeli and Montaigne.

Warming to her theme (and quoting Hayek) the baroness took an astonishing leap into ancient history, to discover that Cicero, Tacitus, Pericles and Thucydides only failed to call themselves Thatcherites because they had not yet heard of Lady Thatcher.

Funny, I used to work in her office in the late 70s. But I never remember her mentioning Thucydides.

Lady Thatcher ate, but not fast or much. Her voice deepens a little and her face thins. The crowd that used to support her when Keith Joseph was ascendant in the 70s was small but devout, as were the Corinthians to Paul. In the 80s, the crowd swelled enormously and became a mob.

Last night we were back to the Corinthians again. But she was the same, laying down the Epistle as ever, the same Epistle.

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IRA considers destroying weapons in front of an independent witness

BY NICHOLAS WATT
AND ARTHUR LEATHLEY

MICHAEL ANCRAM, the Northern Ireland Minister, sounded an upbeat note yesterday after Sinn Féin said that the IRA might be prepared to destroy its weapons in the presence of an independent witness.

As John Major met the former US senator George Mitchell, the chairman of the international commission, and two fellow commission members at Downing Street last night, government officials said there was room for encouragement in Sinn Féin's submission.

Amid fresh hopes that the

proposal could help to overcome the deadlock in the peace process, Dublin said it was encouraged by the suggestion in Sinn Féin's submission to the Mitchell commission on decommissioning. Mr Antrim said: "I have read what was published with interest. We have made it clear all along that we are looking for weapons to be taken out of commission permanently."

The Prime Minister's talks with the three-man commission ended after 75 minutes, with Mr Mitchell saying he expected his report would be ready on time next Thursday. Downing Street said the men had enjoyed a "useful and productive exchange". Senator

Mitchell underlined the importance of the recent Northern Ireland murders in his commission's discussions. He said: "We hope we can contribute to a process where such actions will no longer occur." He refused to speculate whether the Sinn Féin move would bring the conclusion of the peace process any closer.

The commission is to hold talks today with John Bruton, the Irish Prime Minister, and over the weekend with Unionist MPs and loyalist representatives. Gary McMichael, the leader of the Ulster Democratic Party, which has links to the Ulster Defence Association, described Sinn Féin's proposal

as realistic. He said: "The option of paramilitary organisations decommissioning their weapons takes away difficulties, particularly within the republican camp, of handing over their weapons to the British or Irish Governments."

At the meeting Mr Antrim expressed unease about allowing the IRA to destroy its own arms because of "potentially significant practical and legal difficulties, including problems of verification and the risk to public safety". However, Sinn Féin has acknowledged his concerns by accepting that such a process would have to be verified independently.

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Biologists captured in remote village

Soldiers search jungle for kidnapped Britons

By RUSSELL JENKINS

TROOPS were sent into the Indonesian jungle yesterday to rescue four British biologists kidnapped by separatist guerrillas.

Two British diplomats also arrived in the mountainous province of Irian Jaya, regarded as one of the most inhospitable, primitive and least charted, to negotiate the release of the four Cambridge graduates.

They were among 24 people, seven Westerners and 17 Indonesians, seized by armed members of the Free Papua Movement. The group said the abductions were part of a campaign to escape Indonesian rule.

The Britons are members of a research expedition called Lorenz 95 and were studying rare flora and fauna and how the Nduga tribe uses the wildlife. They had been staying with tribes that only recently emerged from the Stone Age, and were captured



Oates was studying wildlife and tribes

Fleet, Hampshire. A German and two Dutchmen were also taken hostage.

Susan McIvor, Anna's mother, spoke of her concern last night. "There are all sorts of fears at this stage."

A Foreign Office spokesman said: "We do not want to speculate about the level of danger they are in. The fact they have been taken and are being held is a cause for concern. We want them to be released as quickly as possible."

The biologists, who graduated last summer, organised a rite party in Cambridge to raise some of the £20,000 cost of the three-month expedition. They also raised £3,000 by coming second in a conservation award.

Tutors and friends were confident the quartet would stand up well to their circumstances. Natalie Barron, 20, a fellow student, said: "To have undertaken this kind of project in the first place you have got to be intrepid. You have got to

be fairly self-sufficient." Dr Ken Riley, senior tutor at Clare College, where Mr Oates studied, said: "I don't know if anybody can be expected to cope well in this sort of situation, but, if I was choosing anyone, it would be Bill."

The local news agency Antara, reported that the Indonesian authorities have sent 300 troops to mount a rescue attempt. Lieutenant-Colonel Maulud Hidayat, Irian Jaya military spokesman, said he had not received any ransom demand. "We are searching for them with all efforts and all the equipment we have."

Groups such as the World Wide Fund for Nature are working with local contacts to reassure the indigenous population that the kidnapped Britons were working on their behalf.

Russell Betts, WWF spokesman in Jakarta, said: "We are trying to get the message out that what our people are doing is in their interests. We are trying with our research to make sure in the area that tribal rights and traditional ways with which the people interact with nature are respected."

A spokesman for the Indonesian Biological Science Club, which co-sponsored the venture, said: "We and the WWF are deeply concerned about the safety and security of our colleagues who have been kidnapped, and stand ready to work fully with the military to secure their safe release. We urge the relevant authorities to do everything in their power to secure the safe release of our colleagues."

The Baim Valley, first seen by Westerners in 1938, is home to 100,000 tribespeople who are famed for their warrior tradition. Some travellers say, however, that they are essentially a gentle race and that visitors are accorded a warm welcome.

The Free Papua Movement have been conducting low-level armed resistance since 1965, two years after Indonesia annexed the region. The people of West Papua, named Irian Jaya by Indonesia, want to ally themselves with neighbouring Papua New Guinea, and believe their plight has been ignored by the international community.

The tribespeople are Melanesian, and related to the Pacific islanders in the Solomon Islands and Fiji. In recent years they have been threatened by Indonesia's policy of populating the island with migrants from Java. Today there are more newcomers than indigenous tribespeople.



Dani tribesmen in the Baim Valley at a ceremony to divide a dead man's wealth



Tribes operate in the rich waters.

Peter Ramshaw, head of the WWF's Asia project office, said biologists have been fascinated by Irian Jaya since it was described by Charles

Darwin's contemporary, Alfred Wallace.

The main reason it has remained so untouched is it has only a small population, about one and a half million. It is twice the size of Britain yet has only the same number of roads of a small London suburb. It is very much under threat.

The tribespeople are Melanesian, and related to the Pacific islanders in the Solomon Islands and Fiji.

In recent years they have been threatened by Indonesia's policy of populating the island with migrants from Java. Today there are more newcomers than indigenous tribespeople.

Man drives body to police station

By JOANNA BALE

POLICE arrested a man yesterday after he drove into their yard of their station and said he had the body of a murdered woman in his car.

Detectives rushed outside and found the dead woman propped up in the front passenger seat of a Volvo. She had allegedly been strangled, although no cause of death will be established until a post mortem examination is held. Police confirmed last night that they were holding a 30-year-old man in custody in connection with the murder of a 27-year-old woman.

Six hours earlier police at Slough Police Station in Berkshire had received a 999 call in which the caller alleged that a woman had thrown herself behind her husband's car as it was being reversed out of the driveway of the family home.

The driver, who comes from Manor Park in Slough, was arrested immediately after police confirmed the discovery of the body. The woman was certified dead by a police doctor.

Police later confirmed the dead woman had been driven to Slough Police Station by her husband. She had been propped up in the front seat of the car during the two-mile drive to the station from their home. The murder inquiry is being led by Detective Superintendent Michael Short, of Slough police.

The incident earlier, in which a woman threw herself under the wheels of her husband's car, was treated by both police and ambulance crews as a domestic incident. The woman did not need to receive hospital treatment.

Live TV urged to spike topless darts

By ALEXANDRA FREAN, MEDIA CORRESPONDENT

THE British Darts Organisation has accused the cable television channel Live TV of "undermining the sport of darts and demeaning women" with its late-night show *Topless Darts*.

The organisation, which represents Britain's eight million darts enthusiasts, said it will be writing to the Mirror Group, Live TV's owners to express its "displeasure and disgust" at the two-minute programme, which Live TV began broadcasting earlier this week.

Robert Holmes, spokesman for the organisation, said that about a quarter of darts players were women. "When we first heard about this programme we thought it was a joke. It is the last thing women darts players want to see happen. A lot of the men

players are embarrassed about it too," he said.

Mr Holmes added that playing darts topless was probably dangerous. "Darts have a habit of rebounding out of the board," he said.

Mark Cullen, assistant managing director of Live TV, admitted that the programme was partly a publicity gimmick. Only 1.2 million homes with cable television can receive Live TV and audiences are thought to run in the low thousands.

Kelvin MacKenzie, the former Editor of *The Sun* and now managing director of Live TV, is widely seen as the inspiration behind *Topless Darts*. The programme, recorded on Bondi Beach in Australia, shows topless women playing darts to the tune of *Waltzing Matilda*.

Chained inmate is habitual thief

By RICHARD FORD AND DOMINIC KENNEDY

A PRISONER who caused a political row after she was shackled to a hospital bed during labour is an habitual thief who was jailed for snatching a handbag with £5,100 from a Japanese diplomat.

Annette Walker, who said she wanted to die of shame in the chains, has a criminal record stretching back to her schooldays. She was pregnant when she was sent to jail for the first time in her criminal career.

She had appeared in court 12 times for 17 theft offences —

the first at the age of 15 — before being sent to Holloway in north London. She has three children, who are being looked after by her mother and former husband.

Before jailing her for four years last September, a judge at Middlesex Crown Court said Walker was an habitual and determined thief who, with her co-defendant and partner David Glidie, had made a career out of dishonesty. The judge said it would be unfair to other offenders to treat her differently because she was female and had become pregnant after the offence.

He said other courts had

made attempts to rehabilitate her and to administer a short, sharp shock. He had a duty to protect the public.

Walker gave birth to an 8lb 9oz daughter on January 2. She is threatening to take the Home Office to the European Court of Human Rights, claiming that her treatment was cruel and degrading.

Walker was jailed for an offence committed in May 1994. She and Glidie had pleaded not guilty. Glidie was arrested in Germany, then Walker became pregnant with her fourth child and became ill. The trial jury found both defendants guilty. Glidie was jailed for four years.

Remember central heating for kids? Well here's central heating for adults.



Julia Carling walking her dog Biff yesterday. She blamed her husband's friendship with the Princess of Wales for the failure of their 1994 marriage, below



Carlings call in the divorce lawyers after rift

By EMMA WILKINS

THE marriage of Will Carling, the England rugby captain, and his wife Julia is to end after just 15 months together. The couple, who separated last September, have asked their lawyers to begin discussions about a divorce settlement at a meeting next week.

Mrs Carling, 30, who presents a daytime television show, has blamed her husband's friendship with the Princess of Wales for her marriage problems. But Mr Carling, 30, said his relationship with the Princess was entirely innocent.

Hugh Young, a specialist in matrimonial law who is representing Mr Carling, said he could not foresee any difficulties in ending the marriage. "It's a sad business but there are no children and it was a short marriage."

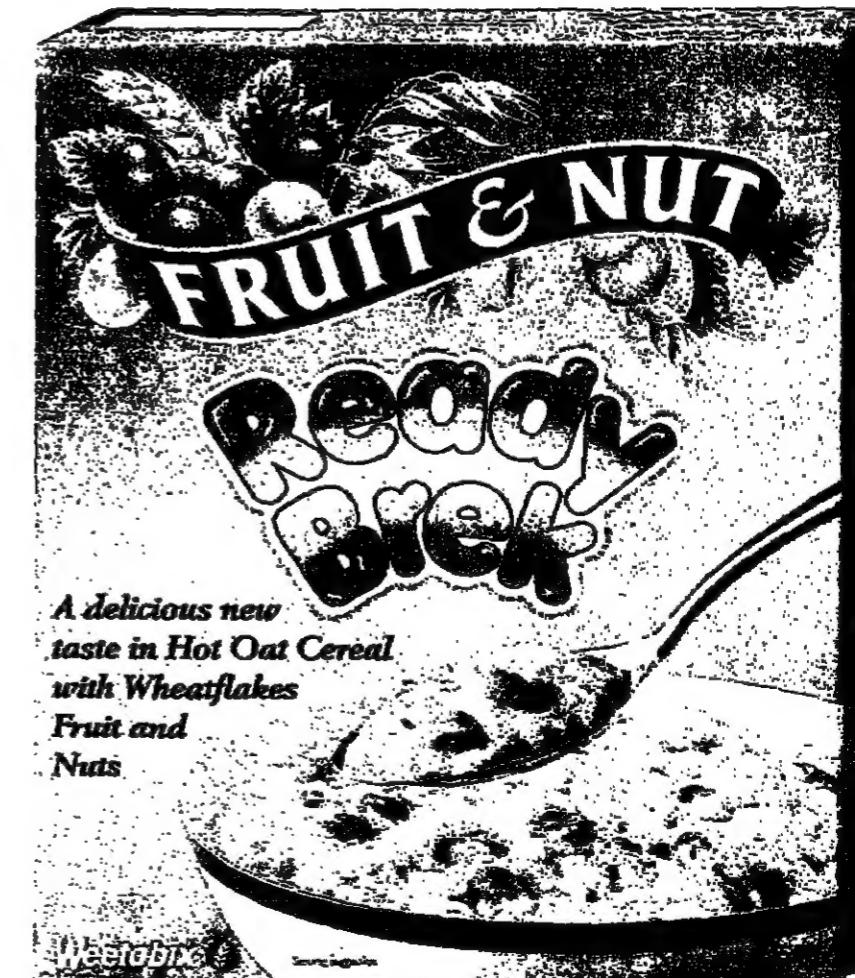
"Apart from the personalities involved, I can't see that it would be of any great interest," Mr Young, who is the family law partner at Fresh Cartwright Hunt Dickens, added: "I am not aware of any third party being involved at all."

Mr Young is now arranging a meeting with Alan Kaufman, Mrs Carling's lawyer, for next week. "My instructions are to meet her solicitor to see what his client has to say about the marriage and the future. That would mean discussing some kind of settlement," he said.

Mr Kaufman, of Forseye, Saunders, Kerman, a firm of London solicitors, said yesterday: "Myself and my firm have been instructed by Julia in connection with the breakdown of her marriage."

Since the Carlings have been separated for just four months, a "quicke" divorce could take place only on the grounds of adultery, unreasonable behaviour, or desertion. An alternative strategy could be to live apart for another 20 months.

Mrs Carling, who is still living in the marital home in Putney, southwest London, took the couple's Labrador for a walk yesterday but refused to comment.



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FOR MORE INFORMATION AND YOUR FREE CATALOGUE

Minister will ignore advice of bird groups and spare rampant invader from guns

Gummer to cancel duck cull over fear of public outrage

By NICK NUTTALL
ENVIRONMENT CORRESPONDENT

PLANS to cull vast numbers of Britain's most notorious duck are to be abandoned because ministers fear the sight of dead birds will infuriate animal lovers.

Under the scheme, backed by the Royal Society for the Protection of Birds and Spanish ornithologists, hundreds of ruddy ducks would have been shot this spring across the Midlands and Wales.

Ruddy ducks, a North American species that escaped into the countryside in the 1950s, have been flying to Andalucia in Spain and mating with the rare and prized white-headed duck. The hybrids are viewed by the Spanish as alien interlopers and the



Gummer fears protests over national duck cull

the Wildfowl and Wetlands Trust, thought they had secured the backing of all members of the ruddy duck working group, set up in the early 1990s by the Department of the Environment after pressure from Madrid. But with just two weeks to go before details of the big shoot were to be finalised, ministers at the department have been told to scrap it.

English Nature, the Government's wildlife advisory body, has told John Gummer, the Environment Secretary, that the action is not important enough to justify the time and funds, in spite of fears of a wrangle with Madrid. The advice has been seized on by Mr Gummer, who is also concerned about public reaction to a mass slaughter.

Campaigners, including Barbara Young, chief executive of the RSPB, said yesterday: "We see culling as a high priority to ensure the survival of the white-headed duck, which is a globally threatened species."

Sources within English Nature say the organisation wants to wash its hands of the whole business. It takes the view that the ruddy duck wrangle has got out of hand and that Britain has far more pressing conservation problems. There is no direct evidence, opponents claim, that the ducks in Spain are actually from Britain. English Nature has advised that landowners do not want culls on their land. Long term, there are concerns about who will pay for an annual cull.

However, the RSPB said yesterday that the appearance of hybrids in Spain could be directly linked to the growth in British ruddy ducks to about 600 pairs. Small-scale shoots of ruddy ducks have been

carried out to assess the likely effectiveness of a nationwide programme.

Ms Young, who has written to English Nature urging confirmation that the cull will go ahead, said: "We are in no doubt about the importance of the regional control trial. The Spanish have shown remarkable commitment to sorting out the problem in their own country. We have got to respond."

Phil Grice, for English Na-

ture, who will present conclusions at the forthcoming meeting of the ruddy duck working group, said he could not comment.

The RSPB spokesman said he understood Mr Gummer's concern, especially with a general election looming. But he added that the charity had members who would normally be alarmed at birds being culled and that the RSPB had spent a lot of effort explaining its position.

Accidents rise

The number of children involved in road accidents rose 4 per cent last summer to 13,090. The Transport Department said the rise could have been caused by the hot weather encouraging children to go out to play.

Bank sues actor

The actor Ricky Tomlinson,

56, Detective Chief Inspector Wise in the Granada Television series *Cracker*, is

being sued by Midland Bank

over an alleged £40,000 debt

stemming from an outstanding £24,25 overdrawn

balance.

Bank for artworks

The art collection of the late Sir John Pope-Hennessy, former director of the British

Museum and the Victoria & Albert Museum, was sold

for £103 million at Christie's

New York. The artworks

came from his Florence home.

Austen success

The BBC's film of Jane

Austen's *Persuasion*, star-

ring Amanda Root and

Ciaran Hinds, took more

than £2.5 million at the box

office in the United States last

year. The film opens in

Britain later this month.



The ruddy duck, left, which has begun mating freely with the rare and prized white-headed duck in Spain

Bypass work halted on day three as guards are washed out

By ADRIAN LEE

THE security operation to protect contractors on the Newbury bypass was condemned as a shambles yesterday after a third day's work was lost to protesters.

Keith Lock, Liberal Democrat leader of Newbury District Council, demanded extra guards and a more active police role after it emerged

that up to 200 security guards had been sent home because rain soaked their tented village.

About 100 activists forced workmen to retreat yesterday morning after an hour's work felling a handful of trees near Selsmore Common, at the northern end of the proposed dual carriageway, even though they were outnumbered by 150 guards who formed a ring

round a digger. The defences were not breached but the circle was considered too small to allow the digger to work safely and, at 9.30am, work was abandoned for the day amid loud cheers.

Resilience Security admitted that it had sent many of its guards home because of problems with their tented accommodation, at a disused farm 14 miles from Newbury.

The Highways Agency said ten acres had been cleared so far and it was working on a strategy with contractors to oust campaigners.

A spokesman said: "We would like to be forging ahead but the clearance work, including some done before Christmas, amounts to 5 per cent of the total." The agency said if work was delayed it would consult English Nature on how it could proceed during the nesting season.

Mr Lock said: "The last two days they have tried to make a start but have not achieved very much. They have got to change tactics and get more security staff and more police involved. They have got to solve this, otherwise it could go on for weeks."

He feared there was now a danger that preparation work on the £100 million scheme would not finish in the 14 weeks before the nesting season will stop contractors on many parts of the 9½-mile route.

The whole operation is a shambles,

he said. "The police may have to take a stronger line. I think more resources are needed to create a bigger screen around the workmen." The policing is shared by the Thames Valley and Hampshire forces.

Community wildlife projects scrapped

HUNDREDS of wildlife projects aimed at transforming housing estates and school playgrounds by introducing frog ponds and wildlife gardens and creating small forests were scrapped yesterday (Nick Nuttall writes).

But Eddie Idle, director at English Nature, said that both projects had been nearing the end of their lives and other organisations and companies were running similar projects.

The Environment Department said that it was being asked to meet cuts of up to 8 per cent but English Nature's grant had been cut by only 5 per cent.

ish in the 14 weeks before the nesting season will stop contractors on many parts of the 9½-mile route.

The whole operation is a shambles,

he said. "The police may have to take a stronger line. I think more

resources are needed to create a

bigger screen around the workmen." The policing is shared by the Thames Valley and Hampshire forces.

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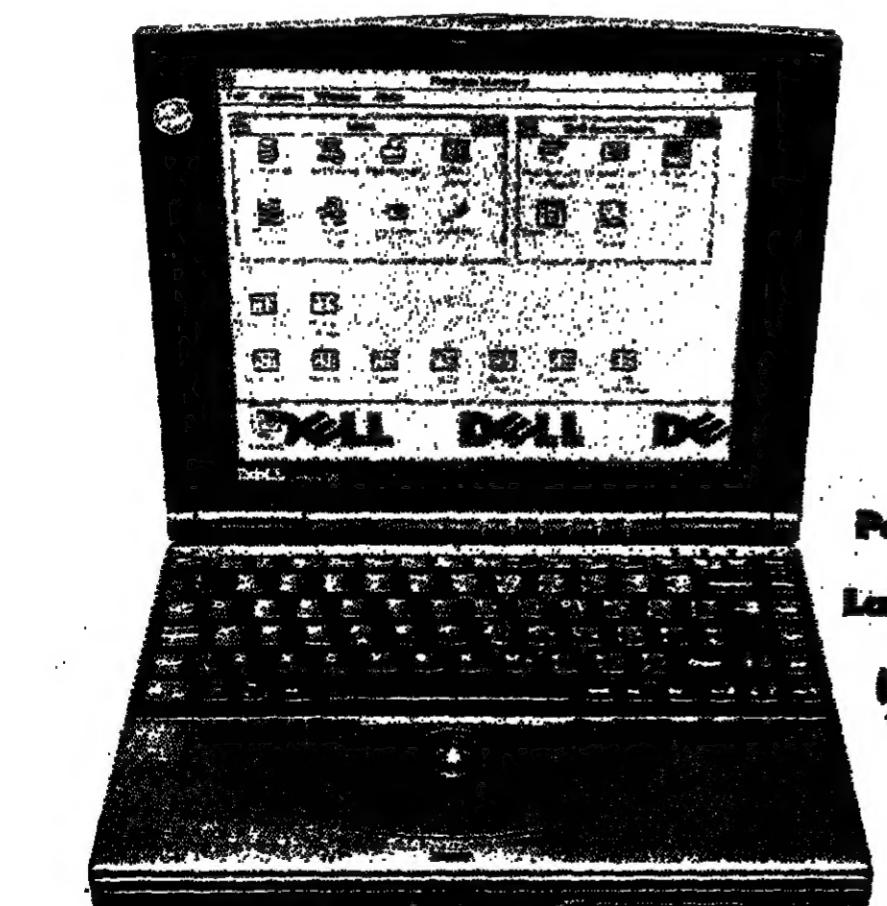
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Ceremonies reflect man who gloried in grandeur but was proud of rural roots

Family and France say separate farewells to Mitterrand

FROM BEN MACINTYRE IN PARIS

FRANCOIS MITTERRAND was laid to rest at his birthplace in the small French town of Jarnac after a simple family funeral yesterday while a grand Requiem Mass attended by scores of dignitaries from across the globe took place in Notre-Dame in Paris.

The simultaneous ceremonies — one small and intimate, the other vast and public — reflected contrasting aspects of the former French President, who gloried in the pomp and grandeur of his office, while clinging proudly to his rural roots in southwest France.

M Mitterrand died on Monday at the age of 79 after a long battle with prostate cancer, just eight months after leaving office.

The former President insisted he did not want a state funeral and only his family and closest friends were invited to attend the funeral service in Jarnac's St Pierre Church, where M Mitterrand was baptised and where his parents married.

For the first time his illegitimate

daughter, Mazarine, 21, whose existence was not publicly acknowledged until 1994, appeared alongside the former President's two sons during the ceremonies, in accordance with his father's dying wishes. His long-time mistress, Anne Pingeot, Mazarine's mother, walked just a few paces behind his dignified widow, Danielle, as she led the funeral cortège through the narrow streets of Jarnac towards the church.

More than 1,300 mourners,

including heads of state,

packed into Notre-Dame for a moving Requiem Mass in honour of the Socialist leader.

It was broadcast live on French television.

Among those gathered to

pay tribute were the Prince of

Wales, John Major, President

Chirac of France, Al Gore, the

American Vice-President,

President Yeltsin of Russia,

Shimon Peres, the Israeli

Prime Minister, King Juan

Carlos of Spain, Sweden's

King Carl XVI and President

Mubarak of Egypt.

Tears ran down the face of

Helmut Kohl, the German

Chancellor, M Mitterrand's

closest European ally and

partner in building closer

European union, as Maurice

Durufle's Requiem echoed

around the great 11th-century

cathedral.

Prince Charles, President

Castro of Cuba and Yassir

Arafat, the Palestinian leader,

were also visibly moved by the

ceremony, at which the American

soprano Barbara Hen-

drick sang the *Pie Jesu* from

Faure's Requiem.

In his eulogy, Cardinal

Jean-Marie Lustiger recalled

how M Mitterrand, a self-

proclaimed agnostic, had pon-



Among the mourners were, Danielle, left, M Mitterrand's widow, Jean-Christophe, their son, Mazarine, his illegitimate daughter, Anne Pingeot, her mother, and Gilbert, another son

dered over the nature of death during his last years. Quoting M Mitterrand, Cardinal Lustiger noted in his sermon: "Death is what gives destiny its richness and meaning."

On the stroke of 11am, as both ceremonies were beginning, Métro trains in Paris were halted and schoolchildren across the country observed a minute's silence in homage to the former President. Flags flew at half-mast to mark a day of national mourning, but schools and offices remained open.

At dawn, the former President's body was taken from the Paris apartment where he died and flown to Cognac air

base. His children and his black labrador, Baltik, accompanied the French leader on this final journey, as he had requested.

The coffin was then transported by hearse, flanked by dozens of motorcycle outriders, through the fields of M Mitterrand's youth to nearby Jarnac. In the town square, beneath funeral skies and a light rain, the former head of the French armed forces was accorded full military honours for the last time. As a military band played, the tricolour draped over his oak coffin was caught by the wind and fluttered to the ground, to be retrieved and replaced by his

widow and his elder son, before the procession moved off slowly across the town.

Film cameras and other media were not permitted inside the church, but loudspeakers relayed the Mass to the thousands lining the street outside. The 200 people attending the Jarnac service included M Mitterrand's six surviving siblings, his closest political allies and a handful of other personal friends, including the actor Gérard Depardieu and the writer François Sagan.

After the service the cortège paused briefly in front of the stone house, its door marked by a single bouquet of red

roses, where M Mitterrand was born on October 26, 1916. Mourners then proceeded to Jarnac cemetery where France's longest-serving President was buried in the Mitterrand family tomb.

Friends and colleagues departed, leaving immediate family members to pay their last respects. Jarnac has a population of 2,000, but some 10 times that number converged on the town yesterday.

Later in the afternoon, the cemetery was opened to the waiting public.

M Mitterrand, as meticulous in death as in life, left behind detailed plans for all funeral arrangements: no

speeches, no journalists at the cemetery and only two bouquets, one of roses and another of irises, to be placed on his coffin. His instructions were followed to the letter. The world leaders, crowned heads, government ministers, colleagues and friends of the late President appeared grave and subdued as they filed out of Notre-Dame to the strains of Bach's *St John's Passion*, with the exception of Mr Yeltsin who, with characteristic ebullience, raised his arms in a double clenched-fist salute to the waiting public.

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"I'm in perfect health," the Russian President told reporters on his first foreign trip since suffering a heart attack in October.

After the service, Mr Major

said: "President Mitterrand was a very big figure in European history. It will be recognised in due course, but I think his contemporaries understand that."

On the eve of yesterday's

funeral, some 30,000 of M

Mitterrand's supporters

massed at Place de la Bastille

square in Paris to mourn the

Socialist leader. Many

brought single red roses and

others carried lighted candles as they stood in silence where Parisians celebrated his election more than 14 years ago.

Romantic who shared city dwellers' love for the countryside of youth

BY BEN MACINTYRE

THE decision by François Mitterrand to eschew a state funeral in favour of burial in his hometown of Jarnac was less an act of modesty — a quality with which the former President was not overburdened — than a reflection of the rural romanticism lying just beneath the surface of almost every urban Frenchman and woman.

M Mitterrand was no exception. His veneration for the bucolic land of his childhood deep in southwestern France was genuine, but it was also politically useful.

Every summer he would be photographed and filmed, sitting beneath the trees at his country home in Les Landes, surrounded by his family, his dog at his feet. He would be seated, more often than not, at a table groaning with country produce.

Some of the more enjoyable footage shows the President on retreat, striding up the nearby Solutré hill with his political aides and acolytes trotting sweatily in his wake.

"A part of every man remains in the country of his youth," he once observed.

If the grandeur of Notre-Dame reflected Mitterrand, the world statesman, then the simple church at Jarnac represented Mitterrand, the "paysan" — a representative of "La France Profonde", the real France.

For all the haughty airs that earned him the nickname "Dieu", M Mitterrand also had the common touch, a talent amply testified to by those who conversed on the Place de la Bastille on Wednesday night for the mass public rally in memory of the former President.

"He was remarkable man, but he was also one of us," said Marc Desalles, as he stood listening to the melancholy strains of Beethoven waltzing across the Paris square as thousands stood in silent homage.

Hankering for a country past — however distant — goes a long way to explain not only M Mitterrand's appeal but also, by contrast, the unpopularity of the Government that succeeded him.

President Chirac, Alain



Thousands of Parisians gathered outside Notre-Dame to pay their respects

Juppé, his Prime Minister and the rest of the Cabinet are widely (and in some cases unfairly) seen as metropolitan northerners, technocratic educated at elite schools who are out of touch with the earthy roots of France.

Hankering for a country past — however distant — goes a long way to explain not only M Mitterrand's appeal but also, by contrast, the unpopularity of the Government that succeeded him.

Government efforts to over-

haul the rail network, threatening the closure of the hundreds of tiny branch lines that nourish the country's

deepest corners, is cited as further proof that the new regime has little sympathy for the France that lies beyond the suburbs.

Here, too, the late M Mitterrand could strike a chord.

He was, as he liked to remind his countrymen, the son of the stationmaster for the town of Angoulême, only a few miles from Jarnac.

There, in a tribute echoing

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Signet puts his chains on the

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ARTS 32-34

Sound link between Debussy and the bearded seal



EDUCATION 30

Student loans need to be reassessed



SPORT 35-40

Rusedksi on the march in Australia

TELEVISION AND RADIO
Pages 38, 39



THE TIMES



BUSINESS EDITOR Lindsay Cook

FRIDAY JANUARY 12 1996

Sell-off at Sears may cost 1,700 jobs

By SARAH BAGNALL

LIAM STRONG, chief executive at Sears, the retail group, yesterday unveiled a £65 million restructuring that could involve the loss of at least 1,700 jobs.

Sears announced it intends to sell — or close — its Saxone and Curless high street shoe chains and dispose of Millets and its Dutch shoe business. If a buyer for the British shoe businesses fails to materialise the 1,100 Saxone stores and 124 Curless outlets will be closed with the loss of the 1,700 full-time equivalent jobs.

Sears, the Selfridges department store to Freemans catalogue group, is in talks with several potential buyers for the loss-making businesses. Stephen Hinchliffe, who acquired Freemans, Hardy Willis, True Form and Manfield from Sears in August, is said to be one of the interested parties.

The withdrawal from the two shoe formats will create annual savings of £5 million. Further cost savings of up to £3 million will be made from Sears' decision to outsource its information technology and accounting systems to Andersen Consulting and to restructure its distribution systems.

Referring to the planned disposal of businesses, Mr Strong said: "These mark an end to the clearing out." The news was greeted with dismay by City institutions who believe Sears should become more focused and sell off other parts of its operations. Institutions also expressed concerns.

Sears had flat like-for-like sales in the six weeks to January 6. Underlying sales at British Shoe fell 10.9 per cent, Selfridges flat like-for-like sales 10.7 per cent and Freemans 6.9 per cent, clothing was flat.

Tempus, page 24

Signet puts high street chains on the market

By SARAH BAGNALL

SIGNET GROUP, the former Ratners jewellery business, has put its Ernest Jones and H Samuel chains up for sale in a move that could result in £300 million and help to secure the group's financial future.

A number of companies are thought to be interested in buying the businesses, which hold the largest share of the British jewellery market and account for 40 per cent of group sales. The interested parties are said to include Gerald Ratner, whose name the company used to bear, Argos, the catalogue retailer, with a strong presence in the jewellery market, Goldsmiths, the jewellers, and Next, the fashion retailer.

Mr Ratner is said to be trying to obtain backing to purchase H Samuel, the bigger of the two chains. Goldsmiths has said it is interested in acquiring both businesses or just Ernest Jones, while



Pennington, page 23

Mercury spree takes Forte stake to 15%

By ERIC REGUY

MERCURY Asset Management, the fund manager that played a key role in ensuring the success of Granada's takeover of London Weekend Television, disclosed yesterday that it had bought 12 million additional shares in Forte. Independent analysts said that its buying spree suggests it is betting that Granada's £2.5 billion hostile offer for Forte will win.

MAM bought the 12 million shares at market prices over the past few days. It now owns 144 million Forte shares, or 15.2 per cent of the company and is the single biggest Forte share-

holder. At the closing price of 368½p, up 8½p, those shares are valued at about £530 million. It also bought a further £1 million Granada shares, raising its stake to 14.5 per cent.

MAM would not say why it had bought so many Forte shares. It is understood that decisions to buy were made by individual fund managers within the group looking for a "cheap way of getting into Granada", assuming, of course, that Granada wins.

Granada has offered four new Granada shares and £23.25 in cash for every 15 Forte shares. It has also offered a special dividend of 47p, which is worth about 50p with the tax

credit. Arbitrageurs have figured out that buying a Forte share at the market price in effect would give them a Granada share for 580p to 600p against Granada's closing share price of 664p, up 1p.

One analyst said: "If MAM thought the bid wasn't going to go through, I doubt they would be buying."

Both Granada and Forte do they can win the battle unless they secure the allegiance of Carol Galley, MAM's joint vice-chairman. In 1994, she held the key to Granada's hostile £724 million bid for LWT. MAM backed Granada's bid and it won.

More than 40 million Forte shares,

on another date to be fixed before flotation. The payment will be based on the lowest figure.

Mr

Robinson said that the society needed to convert because as a plc it would be able "to combat the gathering threat of increased competition". The society believed size was important "and will become increasingly so".

City observers believe the society might use the flotation to raise additional capital for

the

acquisition of a mutual insurance company. Rob Thomas, building society analyst at UBS, said: "The Woolwich has taken a calculated risk by effectively putting itself up for sale before conversion."

Flotation will probably be in the autumn. After that the new bank would be safe from predators for at least five years as there would be a 15 per cent limit on share ownership.

Mr

Robinson accepted that

the period between announce-

ment and flotation "will stimulate interest in the Woolwich from existing companies who wish to establish partnership or wish to absorb us into their business. We have no wish, indeed no need, to transfer control into the hands of a third party. We are big in the core markets which we intend to stay in."

Mr

Robinson

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Patten challenges Peking to set up democratic council

FROM JONATHAN MIRSKY IN HONG KONG AND JAMES PRINGLE IN PEKING

CHRIS PATTEN, Hong Kong's Governor, yesterday challenged Peking not to establish a "counterfeit" Legislative Council here and vowed to continue to call for democracy and the rule of law.

Earlier, British officials in Peking had enthused about an improvement in Sino-British relations after three days of talks between Malcolm Rifkind, the Foreign Secretary, and Chinese ministers. It was difficult to see, however, what had been achieved.

Despite the high hopes raised by Mr Rifkind's first visit to China, and the gloss he put on his meetings with Li Peng, the Prime Minister, and Qian Qichen, the Foreign Minister, it was clear last night that little progress had been made on the two main points at issue: the retention of the Legislative Council after the transfer of sovereignty in June 1997, and a greater role for Mr Patten.

The point was reinforced yesterday when Mr Qian said that abolition of the Legislative Council in 1997 was not negotiable.

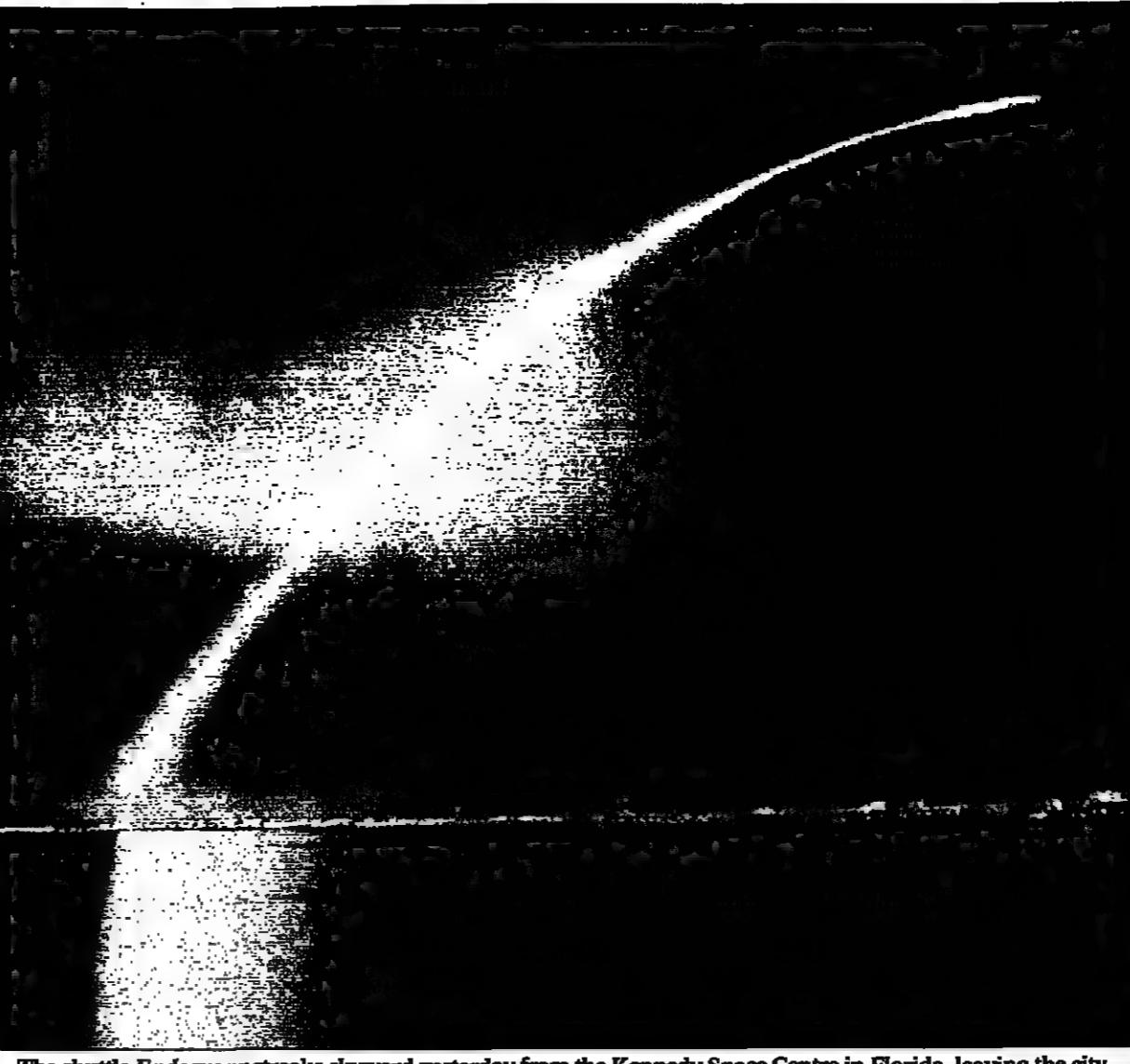
Mr Patten, meanwhile, speaking on Hong Kong's government radio station, questioned whether Peking intended to set up a fairly elected legislative body or "a cardboard cut-out, or a counterfeit".

The remark will outrage Peking, which describes Mr Patten's constitutional changes, including the elected council, as a violation of British-Chinese agreements on the political structure of the colony in the run-up to 1997.

Peking says it will establish a "provisional council" on July 1, 1997, and hold elections for a substitute body at a later date.

On the question of raising important issues, Mr Patten said: "I will continue to speak up for the rule of law and freedom of speech." He said he intended, courageously, to continue to debate political matters with the Chinese, insisting that acquiescence would mean "breaking promises to the people of Hong Kong".

Letters, page 17



Dissident warns of threat to Dominica

BY MICHAEL BINNIN
DIPLOMATIC EDITOR

THE Saudi dissident, Dr Muhammad al-Masari, facing deportation from Britain, gave a warning yesterday that his arrival in Dominica would endanger safety on the Caribbean island.

Speaking shortly after handing in his appeal papers contesting the order by Michael Howard, the Home Secretary, Dr Masari said he fully agreed with Rosi Douglas, the opposition leader in Dominica that his presence on the island would be a threat to its safety. He said Dominica had only 300 police, who could not stop a mercenary force of 50 to 60 people who might be sent to eliminate him.

"The country is simply too small," Dr Masari said. He had discussed the issue with Mr Douglas during his visit to Britain on Tuesday and noted that the opposition would move a vote of no-confidence in the island's Government.

Dr Masari, an Islamic activist, also denied a report in today's *Jewish Chronicle* that he had links with an Islamic group in Britain which had threatened Jewish students.

Socialists take on Tokyo's poisoned finance chalice

FROM GWEN ROBINSON IN TOKYO

JAPAN announced a conservative-dominated Cabinet yesterday under Ryutaro Hashimoto, the new Prime Minister, with key posts for the Liberal Democratic Party and finance going to the Socialists.

The post of Finance Minister has always been regarded as one of the most powerful positions. However, recent financial scandals and problems, including a government plan to use nearly 700 billion yen (£4 billion) in taxpayers' money to liquidate financially-troubled housing loan firms, has taken the lustre off the portfolio.

Mr Hashimoto is known to have offered the post to numerous senior LDP politicians, but they all turned it down. The Liberal Democrats have taken on the key posts of home affairs and defence.

The strategic block of parliamentary votes held by the Socialists ensured the party a strong representation in the previous coalition administration. The portfolios of finance and defence were regarded as too sensitive to be given to the party.

Wataru Kubo, the secretary-general of the Socialist Party, agreed to take the finance post, reportedly on the basis that he will also serve as Deputy Prime Minister.

Mr Hashimoto appointed Yukihiko Ikeda, a former Defence Minister and LDP colleague, as Foreign Minister. Mr Ikeda will have to face the difficult task of handling Japan's relations with the United States, amid growing opposition from the southern island of Okinawa to the presence of US military bases.

Hashimoto victory seals tilt to Right

BY PAUL CARTER

THE election of Ryutaro Hashimoto, the Liberal Democratic Party leader, as the Prime Minister of Japan consolidates the success of right-wing forces.

With the main opposition New Frontier Party led by Ichiro Ozawa, a former LDP strongman, the political situation is akin to having Michael Porillo and John Redwood in charge of the two main parties in Britain.

This renewed entrenchment of the Right is extraordinary for, after the general election of July 1993, the 38-year period of continuous LDP rule ended and power was assumed by an eight-party coalition intent on changing the direction of politics and breaking what had become one-party dominated rule. What went wrong?

Part of the answer lies with the split in the LDP which precipitated the 1993 election, prompted by the younger members' impatience with the septuagenarians who ran the party. It was Mr Ozawa who passionately argued the need for change and initiated what became known as the *futsu no kuni* or "normal country" debate. To Mr Ozawa, "normal country" equates with one which can defend itself independently.

The strong-arm tactics and backroom defection deals of Mr Ozawa eventually led to the formation of the 170-member New Frontier Party which last year proved its strength as a credible fighting force when it won 54 of the 84 seats on offer in the Upper House elections. Since 1993 the Socialists have been bounded between coalitions like a political football, eventually forming an unusual alliance with the LDP under the temporary caretaker prime minister Tomiichi Murayama. During this time, to make their marriage to the LDP work and in the hope of engaging the electorate's trust, the Socialists recanted all of their key policies. After the resignation



Hashimoto: wants seat on the Security Council

of Mr Murayama and the sidelining of the Socialists, the Right has again reasserted itself in government under Mr Hashimoto.

Moreover, now the leadership of the two main parties has skipped a generation, Japanese politics is faced with the relatively youthful Mr Hashimoto, aged 58, and Mr Ozawa, 53. The desire for change which led to the initial split of the LDP is still apparent, with both leaders being vocal in their support for Japan's claim of permanent membership of the United Nations Security Council, and both arguing for constitutional change.

With the Socialists sidelined a political scenario has arisen where two conservative parties vie for power. Mr Ozawa and the Right have clearly won the "normal country" debate. Whether this result was serendipitous or sheer Machiavellianism on the part of Mr Ozawa, the emergence of two main conservative parties and the expectation of high Socialist Party losses in the next election does raise fears about the legitimacy of a democracy whose opposition and government party is represented by a conservative block with few if any balancing factors.

Paul Carter researches Japanese politics at the Centre for International Studies, University of Cambridge.

Escort Cabaret. A nice, sensible family car.



(Allegedly.)

At first glance the Cabaret would seem to be the ideal choice for all those family outings.

What with central double locking, electric front windows and an anti-theft alarm it's certainly not lacking in refinement. But look a little closer.

The wheels are five spoke alloys. Then there's

the rear spoiler and sport style bumpers. Notice how they're colour coded to match the metallic body paint.^{††} (Just one of six colours available.)

Be under no illusions. The Cabaret is more than just an average family saloon.

Under the bonnet is a Zetec 1.6i, 16 valve

engine. Although we've a choice of 14i or 18 Turbo diesel if you prefer.

But with an on the road price* of £12,200 (a mere £1,600 for the 14i), this sporty edition could be the most sensible family car you're ever likely to buy.



*Not available on 14i or 18 Turbo Diesel. ^{††}Standard only on 1.6. *On the road price includes Recommended Retail Price, delivery charges, 12 months road fund licence and estimated costs of number plates and fuel. Vehicle shown: Escort Cabaret 1.6. Also available Escort Cabaret 1.8 Turbo Diesel - £12,600 on the road.

□ Woolwich sets out its stock market stall □ Signet signals a British sell-off □ Weighting bid prices with public money

□ PETER ROBINSON has a nerve, complaining about the "carpet-baggers" who have pitched up at Woolwich as investors merely in the hope of sharing in the largesse from demutualisation.

The progress of the Woolwich towards a stock market flotation was hardly the best kept secret in the City. Instead the market has been massaged for months before yesterday's announcement by enticing titbits of information.

No surprise, therefore, that arbitrageurs have decided to take positions at the Woolwich, as at any other building society where management have not explicitly set their faces against going public. That rather arbitrary December 31 deadline is not going to weed out all of these.

But the Woolwich has handled it all rather better than the Alliance & Leicester, its main rival in the race towards the stock market, which late last year found its systems overwhelmed by the volume of punters wanting to place a bet. Yesterday's news will also have greatly discomfited the A & L, despite that building society's studied air of nonchalance, because the two were always

perceived to be in a race that the Woolwich has now won.

Investors in other building societies presented with similar unexpected gift horses over the course of this year will not be too inclined to count their teeth. But the race to demutualisation will have its non-runners, and their motives should be respected.

There is nothing wrong with opting to remain a small building society with an established regional client base trading out of a limited number of premises. Such societies will never lack investors or borrowers, and mutual status provides some protection from an expansion-crazed financial services sector.

The British banking sector has for years served as the perfect testing ground for Hubert's First Law, that improvement equals deterioration. So those societies that decide to go public should also have their motives strongly scrutinised. The Woolwich strategy yesterday was dressed up

with a suspicious amount of corporate verbiage, but quotation will lead to enough useful avenues to explore that would be closed to a mutual society.

Those building societies stranded in the middle, with no clear reason to stay mutual and no real expansion strategy, will simply be swallowed up. Shed a tear here for the Nationwide, reputation and loan book in tatters, which will either be taken out if a rich enough owner can be found or limp along for years as the favourite to finish last.

Wheel of fortune

□ FORGET crystal decanters, forget gold earrings with the life expectancy of a Marks & Spencer prawn sandwich. The day Geraint Rainer's runaway mouth sealed his fate was in 1987, when he said "yes" to the \$200 million purchase of Sterling.

Rainer's eclipse, Signet spent most of 1995 insisting the two chains were not about to be sold to Mr Piatecki, despite increasingly loud hints to the contrary from that quarter. The board's change of tack, the party line now goes, has nothing to do with the still unresolved row with Signet's rebel shareholders, a slyly hardened by earlier corporate battles who have 20 per cent of the votes.

If so, there is only one other credible reason for it. Christmas for Signet this year was a good one, in the US if not in Britain. But first-half trading last year was poor, and jewellery is such a volatile business that future trade could go both ways.

A sale would leave a reasonably well-financed US retailer with a London quote, a situation that would have to be amended in due course. It would also take much of the ammunition away from the rebels, by cutting debts

of £350 million by the £250 million or so that the British chains are worth and so lessening any future pressure for financial restructuring.

A special fate for special dividends

□ GRANADA is not to be blamed for deploying the weapon of a special dividend, because such payments already have an established if dishonourable history.

Last year, regional electricity companies were found to have so much cash that such dividends helped to fund their own demise by providing a built-in boost to predators' offers. As the fat caught on, it was taken up in Lloyd's Bank's merger with TSB.

But there are two clear objections to them as part of bid terms. They contravene the spirit, if not the letter, of the City Takeover Panel act.

They demands that all

shareholders be offered equal terms. But such payments deliberately offer pension funds terms of higher value than those offered to most private investors. Gross funds can reclaim 20p in tax for every 80p they receive in net dividends, for instance making the Granada bid worth 3 per cent more. When will the Takeover Panel act?

They also require taxpayers to help to pay for takeover bids that are increasingly mistrusted by the general public. Most City financiers had assumed the special dividend loophole would be closed in November's Budget. But there is still time to amend the Finance Bill.

Trafalgar Homeless

□ THE sale of Ideal Homes by Trafalgar House — henceforth to be known as Trafalgar Homes, presumably — represents a concentration of focus that should find a place in the management consultancy textbooks. After the sale of a profitable housebuilder, Trafalgar can no longer be dubbed a mixed conglomerate. Instead, it will be almost entirely devoted to the business of making losses.

BP to make big cuts in refining operations

BY CARL MORTISHED

BP is to make huge cutbacks in its refining operations with the sale of two plants in the United States and France and the partial closure of a third in the Netherlands. The \$1.1 billion cost of the closure and sales will be taken as an exceptional charge to after-tax profits for the fourth quarter of 1995.

The cuts are designed to bring BP's loss-making refining operations back into profit. The move follows the sale in November of the Marcus Hook refinery in the US, and the combined effect of that sale and yesterday's planned disposals and closure will reduce refining capacity from 2 million to 1.4 million barrels per day, well below BP's own product requirement of 1.8

million barrels per day. The refinery cutbacks will bring BP in line with the industry leaders which typically refine less product than they sell. Overcapacity has created a buyer's market for oil products.

BP plans to sell its Lima refinery in Ohio, which is surplus to marketing requirements. The company intends to upgrade its Toledo, Ohio, refinery with a \$200 million investment programme. The Lavera refinery in the south of France will also be sold and the Nefefco refinery in Rotterdam, jointly owned with Texaco, will be closed with the loss of 350 jobs.

BP will be left with 11 refineries worldwide and John

Browne, chief executive, said the company was determined that its assets should be among the top 25 per cent in efficiency and profitability.

Refineries are under pressure worldwide because of excess capacity and sluggish demand. BP reckons that global refining margins were only \$1.70 per barrel last year. They have since improved to \$2.40 but the company says deterioration as new refineries in Asia come on stream this year.

Mr Browne said that

debt-reducing and efficiency improvements at existing plants was further increasing capacity at the rate of 0.7 per cent per year.

The exceptional charge includes \$610 million for anticipated losses on sale and

closure costs. A further provision of \$465 million relates to provision for potential environmental liabilities. BP has spent \$1.3 billion over the last three years bringing six of its refineries up to its top quartile standard and intends to bring the remaining five up to the same level. However, Mr Brown said that the disposal would mean that annual investment in refining of \$450 million would be reduced to \$300 million. He said that the company would not rule out partnerships with investors for the Lavera and Lima refineries if an outright sale could not be achieved. He indicated that closure also remained an option

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Reg Vardy's record six months

NEW dealerships and strong organic growth in vehicle sales and aftersales helped Reg Vardy, the Sunderland motor dealer, to a 22.3 per cent advance in pre-tax profits to £6.15 million in the six months to October 31 (Philip Pangalos writes).

Peter Vardy, chairman, said the period was the "busiest in the group's history", boosted by several new dealerships and the key N registration month of August. Turnover expanded by 5.6 per cent to £79.8 million.

The interim dividend is raised 2.5 per cent to 2.25p (2p), payable on April 30, from earnings ahead 20 per cent to 9p (7.5p) a share. The shares dipped 4p to 269p.

Matthew Clark boycotts alcoholic soft drinks

BY CHRISTINE BUCKLEY

MATTHEW CLARK, the drinks company which is the biggest cider producer in the UK, yesterday pledged not to produce an alcoholic soft drink and added its voice to the growing criticism over the drink, which this week led to the main drinks companies adopting a code of conduct.

Peter Aitken, chief executive of the company, which comprises Gaymer and Taunton cider, said: "We won't produce one because we do not agree with drinks being aimed at such young people."

Although cider is traditionally a younger person's drink, Mr Aitken said he was confident the company's brands could not be mistaken for more innocuous drink.

The company is also in talks with its largest customers on whether it should weaken its

cider brands before October, when a new tax will ciders above 7.5 per cent alcohol content. The tax of 8p a pint, announced in the last Budget, would affect premium brands such as Diamond White.

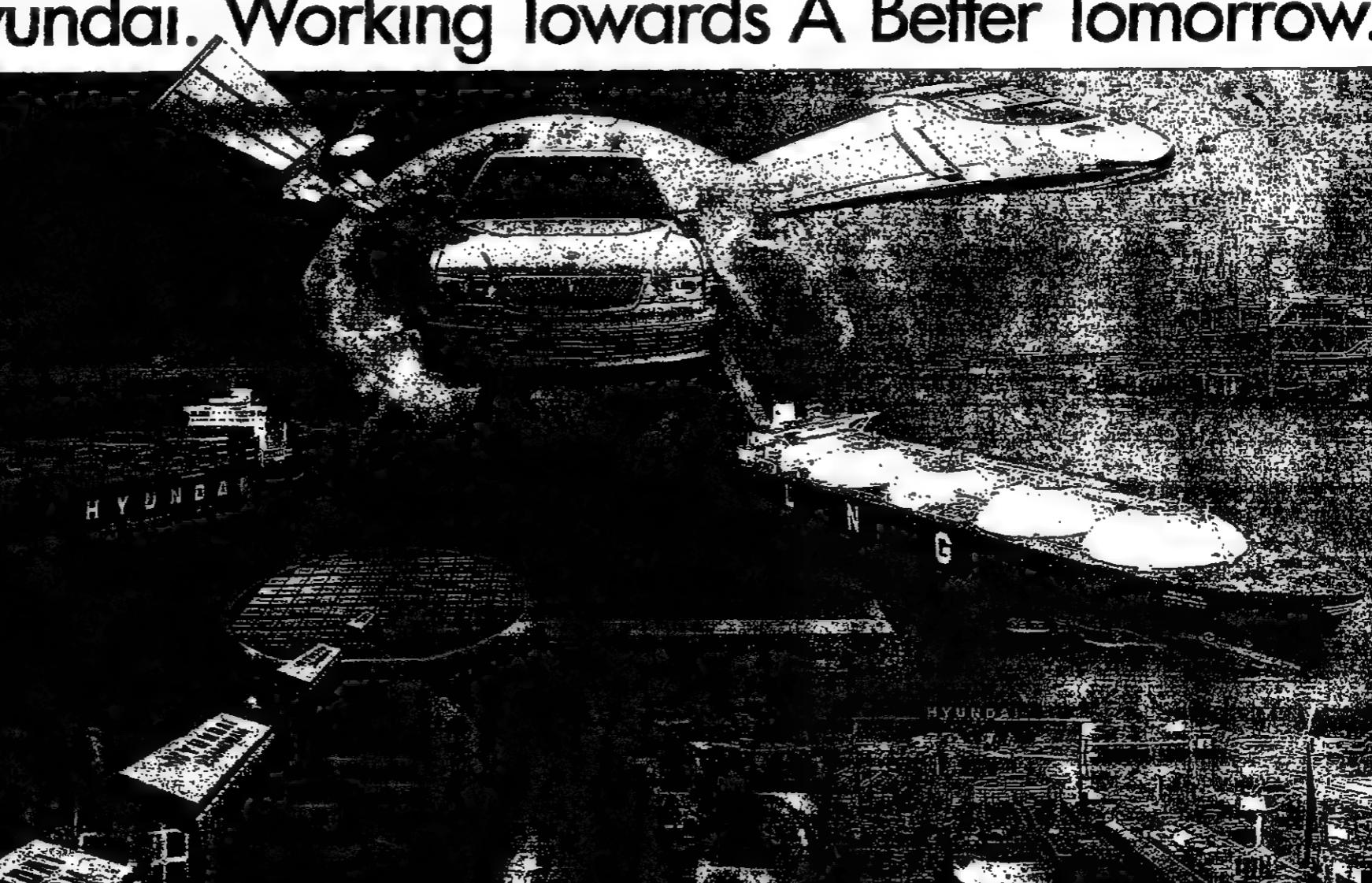
Mr Aitken said: "We are discussing who would bear the brunt of the cost, and if our customers decided they would prefer a lower strength, then we could produce it."

The company, which bought Taunton last November, plans to spend about £18.5 million on restructuring, but estimates cost savings of £11 million a year. It said it had achieved higher cost savings than anticipated from the absorption of Gaymer, which it bought last year, and was realising benefits of £10 million a year, £1 million ahead of its predictions.

Tempus, page 24

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Chips
To
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مكتبة الأصل

STOCK MARKET

MICHAEL CLARK

Market-makers fight back to stem slide

SHARES on the London stock market put up a resilient performance in the face of the near 100-point fall in the Dow Jones average overnight on Wall Street.

Market-makers were quick off the mark in order to deter potential sellers and it appears that their tactics met with some success. At one stage the FTSE 100 index was down more than 26 points, but it later rallied, helped by an opening rally in New York, to close off the bottom with a fall of 16.6 points to 3,654.9 on turnover of 865 million shares.

The sharp fall on Wall Street had been anticipated for some time. The failure to resolve the deadlock over the US federal budget deficit provided the opportunity for the correction to be made.

Brokers in London said there was little genuine selling pressure as institutional investors continued to take a bullish view of prospects over the medium term.

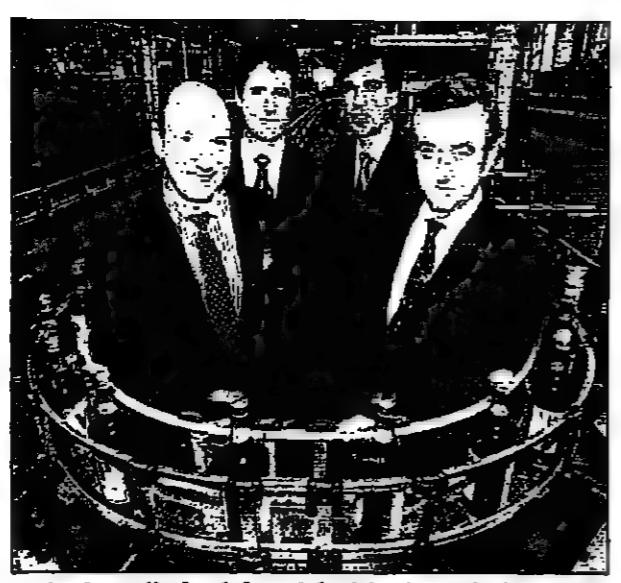
There were also other factors underpinning the market. Large sums accrued following the expiry of five-year Tessa schemes, need to be re-invested as will the profits accrued if Granada wins control of Forte.

There appears to be no shortage of takeover speculation, with traders convinced that another blue chip will soon find itself under the hammer. The money yesterday was resting on Grand Metropolitan, up 44p at 449p, and Ladbrooke, 45p stronger at 152p. Talk that Bass, down 7p to 70p, may want to bid for Ladbrooke has been revived.

There was further heavy turnover in Forte as the arbitrageurs continued to take a keen interest by gambling on a Granada victory. By the close a total of 40.3 million shares had been traded as the price edged forward another 8.5p to 368.5p. Granada, which earlier this week raised its offer to £3.8 billion, also climbed 11p to 664p.

United Biscuits came under late pressure, falling 16p to 254p, as dealers expressed disappointment with the revised terms of the Keebler food sales.

The stores sector attracted a good deal of attention as the leading players continued to account for trading conditions in the busy run-up to Christmas. The market gave a lukewarm response to news of



A 4p share dip for, left to right, Matthew Clark's Hugh Etheridge, Andy Nash, Peter Aitken and Peter Huntley

a 5.5 per cent increase in sales at Boots during the 13 weeks to December 31. Chemist operations made most of the running, but Halfords was flat and Do It All saw a decline. The shares finished 7p lower at 59p.

Carpetright responded positively to a bullish performance, rising 15p to 249p. During the first six months of

house from £115 million to £107 million. Sears ended 11p higher at 99p.

There was some good news at long last for shareholders of McDonnell Douglas Information Systems (MDIS) as it emerged that Geac Computer Corporation has acquired a near 4 per cent stake in the company. MDIS ended 9p higher at 59p.

Matthew Clark, the cider maker, failed to benefit from pre-tax profits that more than doubled. The shares fell 4p to 68p. The group said the improvement had been fuelled by better than expected savings from Gaymers. The good news was undermined by a slide in margins at its wholesale division.

A report in *The Times* lifted Cable and Wireless 4p to 46p. The report confirmed that C&W failed to agree terms with American Telephone and Telegraph last year over the sale of its Mercury telecoms business. Traders in London take the view that AT&T will not let the matter rest there and come back with a definite offer. This could leave the way open for a full bid for C&W from BT, 2p easier at 355p.

□ **GILT EDGED:** Prices opened lower, reflecting overnight falls in US Treasury bonds and continental bond markets. But the appearance of a few bargain hunters provided the signal for a rally, with prices edging back into positive territory by lunchtime. This proved short-lived, with US Treasury bonds extending their losses in resumed trading.

In the futures pit, the March series of the long gilt traded in narrow limits throughout much of the session before closing all-square at £1010 1/2 as a total of 68,000 contracts were completed.

In the cash market, brokers reported a further steepening of the yield curve as the longer end of the market underperformed. Treasury 8 per cent 2013 finished a couple of ticks easier at £1021 1/2, while in shorts Treasury 8 per cent 2000 firmed £2 1/2 at £1049 1/2. □ **NEW YORK:** Shares were firm at midday after two days of heavy losses, with bargain-hunters particularly buying heavily beaten technology issues.

The Dow Jones industrial average rose 25.65 points to 30,853.9, with advances beating declines by four to three.

Unilever fell 25p to £13.7 after a downgrading by ABN Amro Hoare Govett, the broker. Like other brokers, Hoare is becoming increasingly worried about British companies with interests in Germany. It has cut its forecast for 1996 by £60 million to £2.5 billion and for 1997 by £40 million to £2.79 billion.

the year pre-tax profits grew from £30.5 million to £10.1 million with earnings up nearly one-third. Lord Harris of Peckham, chairman, said the group currently had 221 stores but planned to double that number within the next two to three years.

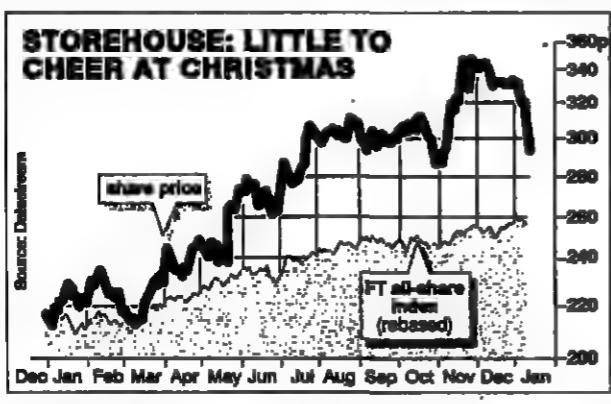
The news from stores like

Sears and Storehouse was

gloomy, prompting brokers to

reduced its estimate for Store-

house: LITTLE TO CHEER AT CHRISTMAS



Source: Datamonitor

Millions and Sears Retail (Holland). The measures are likely to cost £65 million. The picture was made worse by the decline in overall sales, mainly the result of a near 12 per cent decline in sales at British Shoe. BZW has slashed its profit estimate for Sears in the current year by £10 million to £105 million. It has also reduced their losses in resumed trading.

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Pressure to compete wins over yet another convert to banking status

The Woolwich's decision to abandon 150 years of mutuality came after much soul-searching and widespread leaking of its plans. Conversion to banking status, the Woolwich argued, is the only way it could hope to retain its position as Britain's fifth biggest mortgage lender, expand its business and compete head-on with rival *loucassures*.

With the Alliance & Leicester poised to announce similar plans, the Woolwich's move effectively signals the end for big, national mutuals. Mutuality, said Peter Robinson, new chief executive of the Woolwich, has a place for a building society that has a strong regional bias, and that sticks to its core business.

He said the Woolwich needs to "escape from the constraints of prescriptive legislation," needs greater flexibility in funding operations "particularly in gaining wider access to capital, with which to fuel increased business development, including acquisitions; and more definite clarity in the relationship between customers purchasing, for example, fee-earning services such as current accounts and unit trusts, and those investing and borrowing members who actually own the business".

The Woolwich flotation, valuing the society at an estimated £3 billion, is likely to mean a rough average of £1,000 for each of its 3.5 million qualifying members.

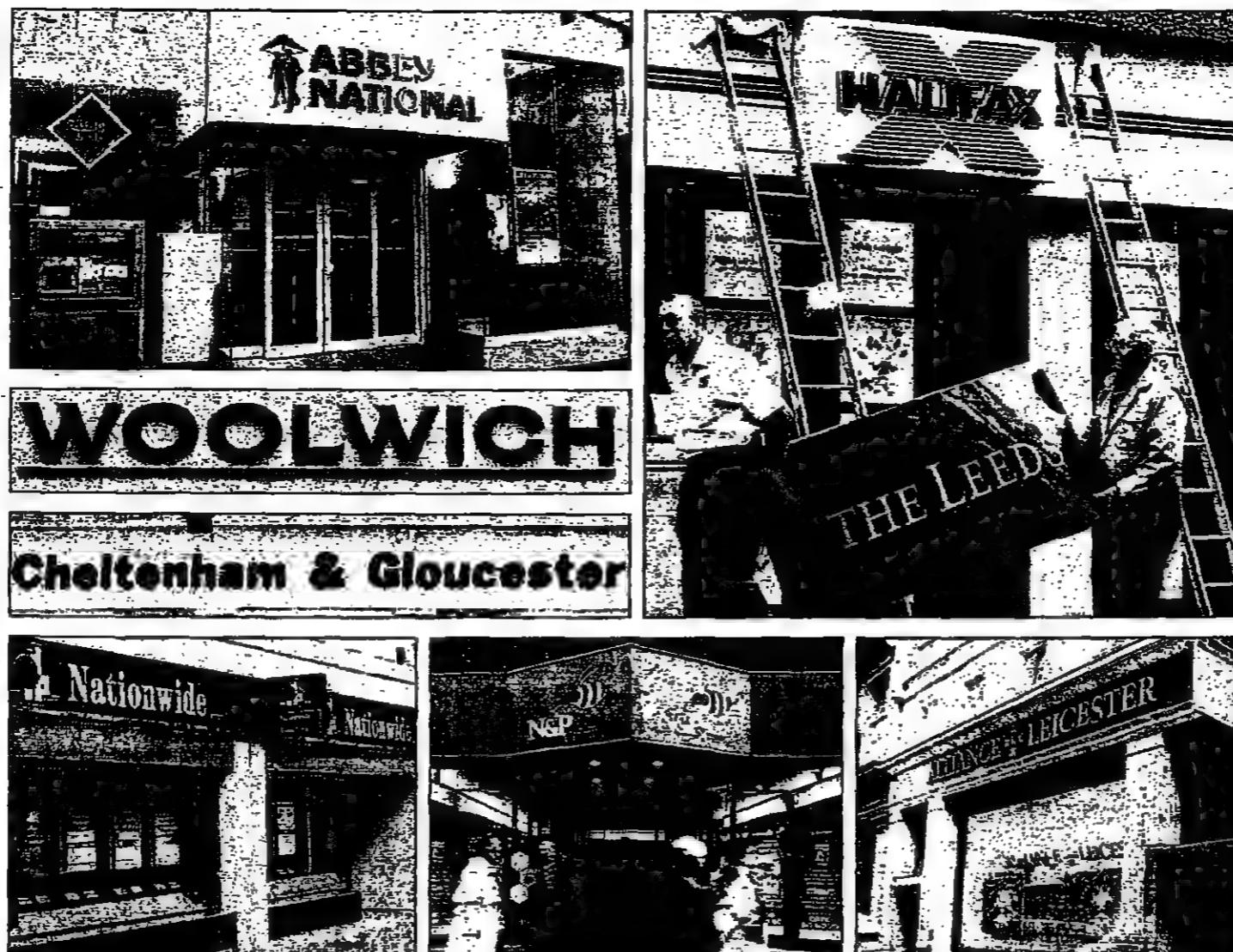
Given the trend for large societies to convert to bank status and seek a stock market listing, Simon Briscoe, UK economist at Nikko Europe, estimates that nearly one in three of the population are poised to benefit from a payout and if mergers and acquisitions continue at the present rate, one in two will benefit.

Before the Woolwich announced its plans, proposed conversions totalled £1 billion. The Woolwich takes this to £14 billion. An Alliance & Leicester float at an estimated £2.5 billion would lift the total to £16.5 billion.

Abbey National set the ball rolling in 1989 when it floated at a stock market value of £1.7 billion and qualifying members benefited from the distribution of 100 free shares worth 130p each and the opportunity to apply for additional shares at 130p. Abbey shareholders who kept their shares would now have a holding worth £632. The bank is capitalised at £8.3 billion. On the first day of trading the bank was 100 per cent owned by its 5.5 million members. Today it is 50 per cent owned by institutions, although 2 million people still hold shares.

Since Abbey National first tested the stock market water for converted building societies, and proved that it can be a successful business move, others have been keen to follow. The sweeteners to convince members to vote for conversion to plc have grown considerably since the Abbey's modest free share offer. Abbey broke the mould again last year

Mutual attraction wears off for the Woolwich



Whichever firms remain mutual, change is being forced on the industry, and not only by the departure of the biggest societies

when it launched the first hostile bid for a building society, making a stock market announcement that it had tried and failed to hold merger talks with National & Provincial. The move initially infuriated N&P, which had been close to agreeing a merger and conversion with the Nationwide. However, forced to put its owners' interests first, the society effectively put itself up for auction, attracting interest from five organisations before reaching agreement to sell itself to Abbey for £35 million.

N&P's £34 million qualifying members are to receive at least £500 in Abbey shares. Savers of more than two years' standing will receive

£750, which they can receive in cash, and an extra payment depending on the size of their savings account.

Such consolidation in the industry

is a factor in the sudden urgency for societies such as the Woolwich and Alliance & Leicester to convert to bank status. Lloyds Bank said it

planned to start a "mortgage war" with the £1.8 billion takeover of Cheltenham & Gloucester Building Society, which was completed last August. This saw nearly one million C&G members receive bonus payments averaging £2,500. The top payout, however, was a generous £4,044.

The Halifax merged with the Leeds Building Society, also in

August. The new giant plans a stock market flotation this year, which is likely to value the firm at £10 billion. Qualifying members will receive between £300 and £1,000 in shares, with cash payments to those under the age of 18 and with less than £100 in their accounts.

The Alliance & Leicester, which also owns Girobank, is considering a range of options. These include a takeover or merger followed by a stock market listing or a straightforward flotation such as that proposed by the Woolwich. A flotation announcement is believed to be scheduled for next month.

The Nationwide, which will be the biggest building society when the

Halifax converts, said yesterday that it had no plans to convert. The society appears to have decided to batten down the hatches after its failed attempt to merge with N&P.

Brian Davis, its chief executive, said: "We have absolutely no plans to do anything other than stay as a building society." He said the society can achieve everything it wants to as a mutual society.

As the UK's eighth biggest retail financial services firm, Nationwide, is committed to mutuality until it has fully resolved the problems it faced after a difficult merger with Anglia. It is seen as a takeover target for a firm such as BAT, the tobacco and financial services group, which

is known to wish to expand. For those building societies that have little chance of converting to plc status, unless one of the bigger players takes a takeover bid, mergers with each other are the only practical way forward. An early indication of how these might work was announced at the beginning of the month when the £700 million Stroud & Swindon said it was to take over the £100 million City & Metropolitan. The move will trigger bonus payments of up to £2,500 for thousands of C&M members.

At the time of the announcement, Richard Payne, chief executive of the S&S which is ranked twenty-fifth in the building society league, told *The Times*: "We are not a predator and this is not a hostile action. It is very much an old-fashioned agreed merger between two building societies who believe in the long-term future of mutuality."

Ken Culley, chairman of the Building Societies Association, said of the Woolwich move: "Following recent intense speculation, this announcement comes as no surprise. However, this decision is one that the Woolwich Building Society has taken for itself alone. There will still be more than 70 building societies and they will continue to play an important part in the financial system. As recent mortgage rate cuts and analysis of the maturing Tesco show, building societies consistently offer very competitive products to their members and are popular with the public. There is every reason for the building society sector to continue to thrive."

Whichever firms remain mutual, change is being forced on the industry, and not only by the departure of the biggest societies. After completing a two-year review of building societies last year the Treasury granted the mutuals a number of significant concessions, such as being able to raise money more easily on the capital markets. But ministers indicated that in return they wanted boards of directors to be more accountable to their members and to consider sharing profits in the good years by paying a form of dividend or offering higher savings or lower mortgage rates.

The medium-sized societies are divided in their response to the conversion mania going on around them. Bradford & Bingley has said it is committed to independence and mutuality. Britannia is tipped as showing interest in the stock market. Bristol & West, which is trying to divest itself of Hamptons estate agency, is seen as a takeover target.

Despite protestations by smaller societies like Bradford & Bingley, it is worth bearing in mind that Jon Foulds, chairman of the Halifax, was still espousing the virtues of mutuality only months before it announced its plans to merge with the Leeds and float on the stock market.

PATRICIA TEHAN
AND ROBERT MILLER

THE
TIMES
CITY
DIARY

Laura Ashley's secret shopper

LAURA ASHLEY has won a fan and half a customer. I say "half" because Julie Ramshaw, five years at Morgan Stanley, where she is a vice-president and the retail analyst, is joining the soft furnishings and clothing group's executive committee on January 22. Julie admits she has bought Laura Ashley furnishings in her time – but not its clothes. In the past, she has also been a fervent seller of the shares. However, since new management under chief executive Ann Ivens started to improve the group's fortunes, she's turned buyer. Where Julie buys her clothes remains her secret but for her undoubted retail expertise, it's little wonder Laura Ashley approached her with a job offer.



AFTER the demise of *Saxone* in favour of anonymous-sounding new brand names at Sears' British Shoe, wags now predict its next format will be called *Shoes-We're-Us*.

Red carpet

NO GUESSES as to why the man to be introduced to the House of Lords on February 7 and who started selling rugs at the age of 15 has chosen to be known by the name, style and title of Baron Harris of Peckham of Peckham in the London Borough of Southwark. After all, it was in the Peckham market in 1957 that he started on the magic carpet to becoming a multi-millionaire.

All aboard

FUN and games at the Woolwich photocall yesterday, and I wager the society's Strand branch is soon treated to a lick of paint. Asked to pose for photographers outside the odd-shaped building, one of the least lovely examples of the society's 500 strong chain, Peter Robinson, the chief executive, was heard to mutter that the facade was terrible. Strolling back down the Strand afterwards, photographers flippantly suggested he jump aboard a nearby number six bus. Robinson readily agreed, even though the Aldwych to Kensal Rise route goes nowhere near Woolwich.

informative:

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From	To
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Loans of £50,000 and above	7.54% pa 7.34% pa
agreed after 8 July 1991	
Mortgage and Home Improvement Loan agreements	
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Equity Release Loan

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First Direct is a division of Midland Bank plc

Member HSBC Group



Trade in and trade out, but many British companies are failing to compete in international markets

Time to close the competitiveness gap

Corporate Britain is failing to compete effectively enough, or extensively enough, and unless we begin to address the structural and cultural weaknesses that constrain business growth, the situation will worsen.

The all-party Commons Trade and Industry Select Committee, which spent nearly 18 months examining almost every aspect of manufacturing competitiveness, gave warning that the "opportunity to bridge the competitiveness gap will be temporary, given the rise of the newly industrialised countries, and action therefore needs to begin urgently".

The Government's Competitiveness White Paper acknowledges that British industry is losing out in the race for market share, and draws attention to the "long tail" of poor to mediocre companies finding it harder and harder to compete.

On virtually every independent measure of national competitiveness, the UK's ranking has fallen dramatically over the past 17 years.

According to the World Economic Forum, the UK has slipped towards the bottom end of the international prosperity league table, only two places above Chile. A similar survey by the OECD placed Britain eighteenth out of 24.

Britain's trade balance continues to widen, our share of world trade is falling in relative terms, and our investment record remains embarrassingly poor by international standards.

Such a lacklustre performance should be ringing alarm bells in every government department.

The Treasury, which has consistently overshadowed the Department of Trade and Industry on competitiveness issues, claims that corporate Britain is "broadly on the right track as things are", and points complacently to the growth of inward investment as a symbol of success.

The level of inward investment has slowed dramatically since the late 1980s, and is now only a third of what British companies invest abroad. Foreign investment is helping to revitalise our manufacturing base, but we also desper-

ately need to increase investment by British-based firms.

The Government also continues to trumpet the growth of the small firms sector. Unfortunately, the number of small firms has fallen year on year since 1989 and there has been little evidence of small firms growing into clusters of expanding export-led medium-sized companies akin to the German Mittelstand.

The scarcity of medium-sized companies, which currently account for just 0.4 per cent of enterprises in the UK, has left many of our largest companies increasingly reliant on overseas suppliers.

With a few exceptions,

growth among the larger firms has also been disappointing, especially in manufacturing. The corporate philosophy of "more from less" has raised productivity levels and boosted profits, but this has not translated into investment in new capacity.

The core problem seems to be that the availability of income dedicated to investment continues to be squeezed by the relentless shareholder pressure for higher and higher dividend growth.

Industrialists complain that they are unable to look for "more from more" because the financial markets are obsessed with maximising shareholder value, and are immune from

the long-term destabilising effects.

Corporate Britain seems to have locked itself into a financial system that rewards short-term dividend growth and deters longer-term capital investment, especially in the more intangible areas, such as skills training, R&D and innovation, which are critical to improved competitiveness.

The problem is exacerbated by the preoccupation with short-term accounting measures, the spread of performance-related pay based on short-term profits, and the Government's lax takeover and merger regulations.

The big pension funds,

which manage more than £400 billion of investments (one third of all personal wealth in UK), are especially open to criticism.

The select committee concluded that, in spite of the long-term nature of the liabilities of pension funds, "they regard short-term dividends as a more important part of the return than long-term capital growth".

Employees, who are the ultimate beneficiaries, often find themselves employed by companies that under-invest, and that blame the problem on the need to meet the short-term profit expectation of the

pension funds to which they are contributing.

Government has a key role to play in removing the barriers to long-term investment and modifying the attitudes of large institutional investors.

Labour is considering changes in the law to extend the rights of pension beneficiaries and trustees over their investment managers, alongside proposals to reward long-term share ownership, reforms to competition policy and takeover regulations, and plans for new regional investment schemes under the auspices of regional development agencies.

The party's corporate tax review team is also examining the various fiscal options available to encourage financial institutions to place less emphasis on high dividend growth, and other measures to enable a cultural shift.

Governments worldwide are exploring similar measures to boost investment for future prosperity.

The Clinton Administration, for example, is working with the US Competitiveness Council on standards for measuring human resource investment, and on a radical reform programme to promote investment partnerships between institutional shareholders, company managers and staff.

In Australia, the focus of the

eight Social Accord has been on channelling the country's burgeoning superannuation funds into capturing private investment for public benefit, with Keating's own competitiveness council warning of the dangers of copying the British model of competing on the basis of a weak currency and low wage costs.

Labour has no intention of imposing wholesale change on the financial system, but, where the interests of the City conflict with the long-term health of the UK economy, they need to be balanced by government.

Part of the competitiveness gap is clearly down to the way Britain invests and the underlying tensions between finance and industry. However, the corporate culture born out of the Thatcherite era of boom to bust is also a significant contributory factor.

Investment houses bemoan the lack of basic financial management skills, particularly among small firms, while the banks claim that most companies rarely see long-term investment growth as a primary objective.

The big worry is that Britain has far too few indigenous world-class companies, and, without a change in corporate behaviour, we are unlikely to produce more than the handful we have. The RSA's *Tomorrow's Company* survey of 500 UK firms shows that short-termism is still very much part of the British management ethos and that our system of corporate governance is largely to blame.

Government clearly has a vital role to play in promoting a new system of corporate governance built on long-term relationships of trust between the owners of capital, managers of industry and the workforce.

Labour is considering a number of ways forward, including supporting corporations wishing to set up two-tier boards, measures to encourage information disclosure relating to R&D, skills training and other factors of competitiveness, and possible reforms to the Companies Act.

Crucially, as Tony Blair said in his keynote speech in Singapore this week, "it is surely time to shift the emphasis in corporate ethos towards a

more competitive and possible reforms to the Companies Act.

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Siemens plans more investment with orders set to top £2bn

By PHILIP PANGALOS

SIEMENS PLC, the UK arm of Siemens AG, the German electronics and engineering group, expects British orders to exceed £2 billion this year and plans more acquisitions in the UK information technology sector to give its UK market position a significant boost.

Jürgen Gehrels, chief executive of Siemens plc, is optimistic on the group's UK prospects, but said that further UK

investment is needed as well as acquisitions to fulfil its ambitions and potential. Herr Gehrels said: "The market for information systems in the UK is worth more than £10 billion [annually] ... Clearly our position is rather weak and therefore I think further acquisitions will be necessary to strengthen our position significantly."

Herr Gehrels said the total UK electronics market is worth £50 billion a year, making it the sixth largest in the

world. He said it is expected to continue growing at about 6 per cent in 1996, the same as 1995. "As in previous years, we mean to grow faster than this," Herr Gehrels added.

In 1995 Siemens plc saw flat turnover of £12.9 billion, though there is an increase of about 20 per cent if distortions in the previous year are stripped out. Post-tax profits amounted to about 2 per cent of turnover.

Orders received grew £200 million, or

6.4 per cent, breaking the £1.5 billion mark for the first time. Post investment, especially in research and development, helped exports to rise 28.8 per cent to £2.68 million. R&D spending grew 8 per cent to £133 million. Employee numbers rose 2.7 per cent to 10,224.

Herr Gehrels said Siemens is happy with its investment in GPT, the UK's largest telecoms manufacturer in which it has a 40 per cent stake. "Our acquisition of Plessey, and the subsequent

stake in GPT, gave us a good position in the UK telecoms market. Siemens is very happy with its investment in GPT. It's a top performer; there are no plans to change the arrangement."

Last autumn, Siemens acquired a 75 per cent stake in Mercury Communications' private voice communications unit. It also expanded its participation in the rail maintenance market.

Herr Gehrels said the privatisation of British Rail and the Private Finance

Initiative will create significant investment opportunities. On speculation that Siemens may be interested in Mercury, Herr Gehrels told *The Times* that the group had no intention of bidding for the company.

However, Siemens may build further factories in the UK. Herr Gehrels said: "There may be an opportunity to build a UK factory to manufacture engine management systems for Rover." He said a decision on a site will be made this year.

Persimmon aims to buy Trafalgar's Ideal Homes

By SARAH CUNNINGHAM

PERSIMMON is in talks with debt-laden Trafalgar House about buying its Ideal Homes subsidiary and expects to announce a deal by the end of this month.

However, Beazer Homes said it was "surprised and disappointed" at this news. It said it had also made an offer which had been ignored.

"It should at least be talking rather than doing an exclusive deal," a spokesman added. Beazer said it remains an interested buyer. Trafalgar House and Persimmon will both have to put their proposed deal to shareholders.

Trafalgar House said it was not at liberty to consider other offers at this point and added that it had been aware of the terms being proposed by Beazer when the board decided in favour of the Persimmon

deal. It said Beazer would have to make a formal and much better offer if it wanted it to be put to Trafalgar House's shareholders.

Trafalgar House, which recently unveiled £321 million losses, is expected to receive a little more than Ideal Homes' asset value of £150 million from Persimmon. It was Trafalgar House's largest single profit-maker last year, bringing in a £19 million operating profit.

The shipping, engineering and construction group wants to wipe out its £229 million debts, and is also trying — so far without success — to sell its US housebuilding operations, valued at about £90 million.

Hambros, Persimmon's merchant bank, said yesterday agreement with Trafalgar House on price and terms should be reached by the end of January. Persimmon has exclusive rights on Ideal Homes while it carries out the usual pre-purchase investigations. Trafalgar House may be able to put the deal before its shareholders at its annual meeting on February 22.

Persimmon would finance the purchase with a combination of debt and equity, raised through a rights issue. Persimmon shares fell after yesterday's announcement of talks, dipping 10p to 198p in reaction to the likelihood of dilution. Analysts said the deal was potentially good for Persimmon. Caspar Trenchard, of Smith New Court, the broker, said: "At £160 million, done with around two-thirds debt and one-third equity, it would be attractive."

Persimmon, which last September announced first-half pre-tax profits of £10.1 million, down 10 per cent from the previous year, said Ideal Homes would be "an excellent commercial fit".

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Lord Harris, left, Ian Soeyd, centre, finance director, and John Kitching, sales director

Carpetright profits up 26%

By SARAH BAGNALL

CARPETRIGHT, the carpet retailer, saw its shares jump 15p to a high of 439p after

Lord Harris of Peckham, the group's newly enabled chairman and chief executive, unveiled a better than expected rise in interim profits.

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affected by a weak carpet market and the exceptionally long hot summer."

He said second-half trading was above expectations and that he was confident about future profitability.

Carpetright, which was floated on the stock market at 145p a share in 1993, has opened 40 stores since the start of the year, lifting the total to 221. Lord Harris said the launch of Premier Carpets, the new concession format,

had been successful and that he hoped to open a further 15 by April 30, making 35. "We are currently aiming to build a chain of 120 outlets," he said.

The group plans to build Carpet Depot, its new supermarket format, into a 20-strong chain within a year. The group's cash reserve stood at £24.1 million. The interim dividend, due on February 23, rises 41 per cent, to 5.5p, payable out of earnings of 8.7p a share, up 28 per cent.

Shares in United Biscuits fell 4p, to 260p, yesterday.

Completion of the much larger disposal of Keebler's US cookie and cracker business, raising \$300 million, appears to be taking longer than expected. The company now expects to complete the sale to Inflo Holdings later this month, when remaining contractual conditions have been satisfied, against original expectations of a sale by the end of last month. Inflo is a joint venture between America's Flowers Industries and Arta Luxembourg.

In addition, discussions with a number of interested parties relating to the sale of elements of the Salty Snacks business of Keebler, which also got under way in November, are continuing. The sale is expected to raise a further \$80 million.

The proposed sale of the Keebler business and UB's exit from America were announced in July, when shareholders were warned of a sharp fall in first-quarter and a cut in the interim dividend.

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Shares in United Biscuits fell 4p, to 260p, yesterday.

Completion of the much larger disposal of Keebler's US cookie and cracker business, raising \$300 million, appears to be taking longer than expected. The company now expects to complete the sale to Inflo Holdings later this month, when remaining contractual conditions have been satisfied, against original expectations of a sale by the end of last month. Inflo is a joint venture between America's Flowers Industries and Arta Luxembourg.

In addition, discussions with a number of interested parties relating to the sale of elements of the Salty Snacks business of Keebler, which also got under way in November, are continuing. The sale is expected to raise a further \$80 million.

The proposed sale of the Keebler business and UB

THE TIMES UNIT TRUST INFORMATION SERVICE

POSTS


ENGLISH SCHOOLS FOUNDATION
HONG KONG

Education Officer

FROM 1 SEPTEMBER 1996

Highly competitive financial package

The English Schools Foundation (ESF) plays a vital role in the infrastructure of Hong Kong as an international centre and will continue to do so well into the twenty first century. We are the largest independent school organisation in Asia, 15 schools, 10,000 students from 55 different nationalities. We have an income of HK\$700 million (£58M) and a capital programme of HK\$400 million (£33M). Founded in 1967, the ESF has charitable status and aims to provide a high quality, cost-effective education to English speaking students in Hong Kong. Our curriculum is based on the English National Curriculum suitably adapted to the Asian context.

We are looking for:

- a dynamic, creative senior manager, with recent experience of headship and a wider educational management role, to join our small Foundation Management Team.

You will contribute to:

- the quality of management, curriculum and staff development of ESF schools;
- strategic planning; and
- policy formulation and implementation Foundation wide.

Further details available from Jennifer Wisker, The Secretary and Chief Executive, The English Schools Foundation, 250 Victoria Road, Pokfulam, Hong Kong. (Fax: (852) 2834-6881). Closing date for applications 26 January 1996.

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EDUCATION

Why loans are going wrong

Students are going to have to pay more towards their education, says Eric Ash

As Bernard Shaw discovered, "a higher education is useful in that it enables you to despise the wealth it prevents you from attaining". Even so, there is wide agreement—embracing all flavours of political conviction—that maintaining the expansion of higher education which has taken place over the past two decades is vital for the future prosperity of Britain.

The problem is cost. The public provision which seemed affordable when fewer than 10 per cent of the age group participated in higher education plainly is not at the 30 per cent level we have now reached.

Until 1990, when student loans were introduced, both tuition fees and maintenance grants—for full-time students—were a charge on the Exchequer. Since the benefits of receiving a higher education flow both to society and to the individual, it seems reasonable that the costs also should be shared—that the individual graduate should make some contribution.

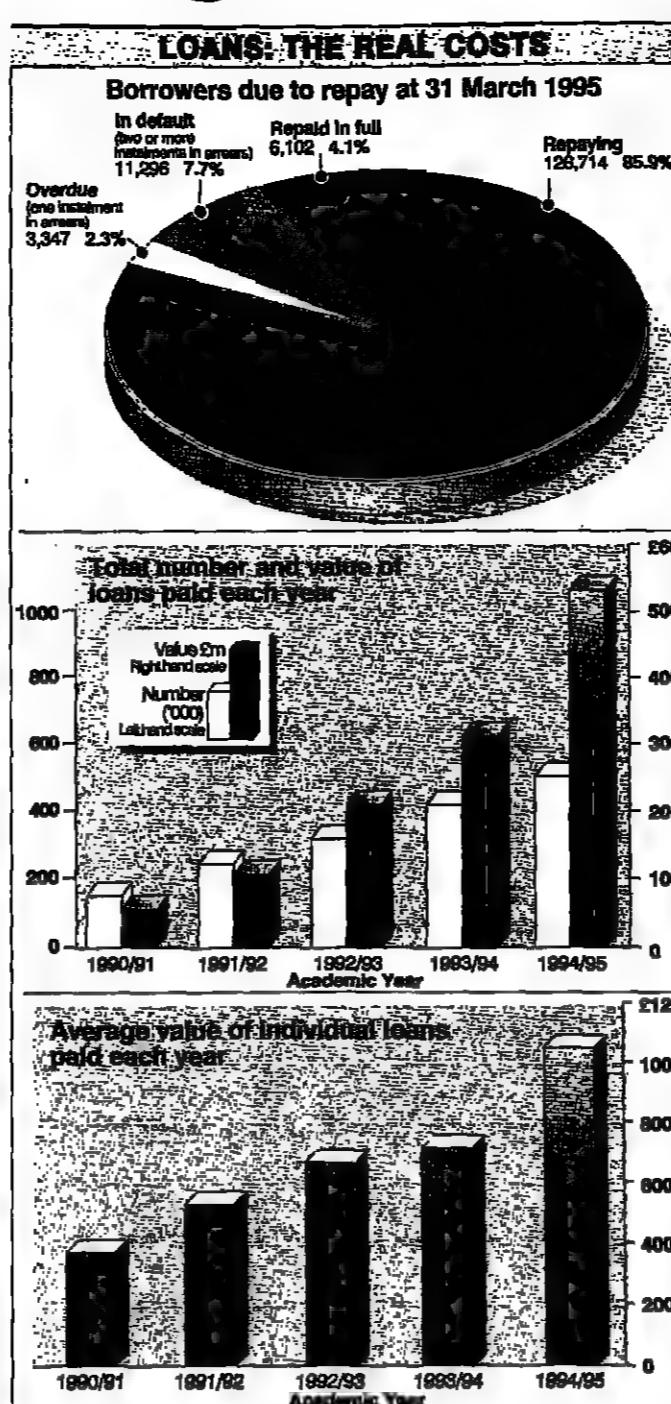
There has been much debate as to whether the student's contribution should be towards maintenance or towards tuition costs. It has been argued that if the latter were adopted, the universities would win a greater measure of independence from government.

I believe that hope to be illusory. As long as government bears the major costs of a higher education institution, it will be able to call the tune. If government gets it wrong—and the relentless squeeze on university finance is an all-too-clear example—there is no short cut to persuasion by political process. Universities can obtain a measure of independence only to the extent that they can earn income from non-governmental sources.

The loans which are administered by the Student Loans Company have been increased as the mandatory grant for students has been reduced. By next year, the loans will amount to half the provision. The scale of the operation is massive—loans in the current academic year will amount to £900 million.

The machinery has worked well—with one much publicised exception, when last year a scheme, designed to streamline loans for students who were already in receipt of a loan, ran into difficulties. While 93 per cent of the students received their loans in good time, the other 7 per cent suffered serious delays. That 7 per cent amounts to 35,000 students—about 60 literate and justifiably angry people per MP.

It was a very audible error. The record up to that time had been



excellent and happily, in the current year, all has again worked smoothly. Nor is there any serious problem with collecting loan repayments. Presently, 93.5 per cent of repayments due have been collected. The prediction for the longer run is that this figure will rise to 97 per cent.

It has been suggested that a better way of collecting repayments might be via National Insurance or taxation. A scheme based on this option is being successfully run in Australia. However, detailed studies have shown that the differences—if any—in collection costs or default rate are too close to call.

The terms on which the loans are given are benign. They are indexed for inflation, but the real interest charge is zero. Repayment starts in April in the year after graduation and is completed in five years.

The repayments can be deferred indefinitely if the borrower has an

income of less than £15,200. The most onerous repayment rate, which could apply to any participant in the scheme, works out at 4 per cent of gross pay—the average being much less. It is difficult to believe that anyone could possibly regard them as a serious obstacle to embarking on higher education.

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If nothing is changed it will take until 2002—beyond the next election—but one—before the repayments in any year amount to

£15,200. The scheme would be

it were possible to transfer some or all of the loans to private financial institutions. A recent attempt by the Government to do that had to be postponed for lack of favour on the part of the banks.

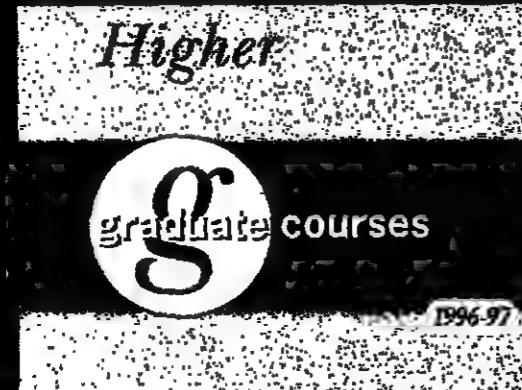
The scheme would have involved up to four financial institutions, the Student Loans Company and a sixth player—the holder of a database to co-ordinate the transactions. The complexity of this scheme may have militated against early implementation.

A simpler approach which adapts rather than seeks to replace the present system might yet prove persuasive to financial institutions and to a future government. Arithmetic gives the same answers irrespective of who asks the questions.

• Sir Eric Ash was acting chief executive of the Student Loans Company throughout 1995. The above represents his personal views.

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PITMAN PUBLISHING

Girls at a London school are enjoying the benefits of a superhighway education, reports David Charter

Switched on and learning

sexism about computers generally but anyone can use it if they have the skills."

The usefulness of the Internet for coursework ranges from images of the growth and development of tadpoles to information in French on social trends provided by a Canadian source.

Providers of the Internet to schools ensure undesirable material is blocked.

Jean Johnson, head of IT at the school, says the girls clamour to use the single computer linked to the Internet, and they communicate regularly with schools in Sweden and Finland.

She says: "It is a fantastic

medium. They just become incredibly confident not just in the use of computers but in day-to-day life and their contacts with other people. It has brought the whole world of telecommunications to a level which the girls can deal with and they are having quite adult debates."

However, the National Council for Educational Technology (NCET) advises schools to avoid a commitment to the Internet if there is no staff member with a burning interest in the technology. It says that more than 2,000 schools and colleges have a connection, mostly through the main two providers, BT

and RM. Roger Blamire, manager of superhighway projects at NCET, says: "It depends where the school is in its development plan and whether it has the interest of staff to take the initial thrust. There is no point in forcing it on them."

"We suggest getting someone in the school to have a watching brief, possibly by giving them a machine at home, so the enthusiasm becomes grassroots."

He added: "Despite all the hype for the Internet it is actually quite slow and does not really have much dedicated material on it for schools. It is for the tolerant and confident user at the moment."

Robin Squire, the Schools Minister, this week set up a project to look into the benefits of the Internet, which will run alongside its broader investigation into superhighways, including video-conferencing.

The Government's belief in the future role of the Internet was shown by another announcement by Mr Squire that the Education Department was funding a "virtual languages" centre, bringing together material from Europe, Canada and Japan.

However, schools thinking of setting up their own link are advised to consider the financial implications, even of a single modem link, which has

forced Walthamstow to limit the time girls can spend on the computer. Even although it is moving to a local telephone line the cost of several-hour-long local calls soon adds up.

The Labour Party has pledged that every school will have access to the Internet, which may encourage some wary schools to wait before committing themselves to the information technology revolution.

One thing is certain from Walthamstow's experience—the Internet brings all sorts of benefits and changes to the classroom. Mrs Johnson says: "I think it is more than acceptable for a girl to sit down and teach a teacher how to do it and it is extremely good for their self-esteem. There will always be students who are better than staff."

The sour aftertaste of cherry-picking

How selection of pupils at 11 can have a domino effect on other schools

Parental protests and accusations of social engineering have followed the rush by schools in a corner of north London to select pupils on special ability. David Charter writes.

The Barnet area is two years down the road of an experiment in selection of the kind made easier this week by Gillian Shepherd, Education and Employment Secretary.

Mrs Shepherd proposes to scrap the ban on comprehensive schools interviewing pupils and their parents for a place. She also wants to increase the limit on the number of children admitted on a test of ability from 10 to 15 per cent.

Pupils in Barnet already face a battery of tests for the most popular schools because one school after another has moved towards greater selectivity. Change in admissions policy has been swift. Head

teachers and governors were anxious not to be left behind, fearing that those which resisted would end up as sink schools for the pupils nobody else wanted.

Queen Elizabeth's Boys School went fully selective last September, to match the single-sex grammar education offered to girls at The Henrietta Barnett School. Other schools have followed, using the freedom of grant-maintained status, despite an outcry from parents.

Dame Alice Owen School in nearby Potters Bar now selects nearly half its pupils through testing, with a further 10 per cent on musical or sporting ability. Hendon School, which takes 10 per cent of pupils on musical ability, won government approval in November

to test all applicants and give a quarter of its places to bright pupils, half to those of middle ability and a quarter to low ability. The first tests take place at the weekend for 450 children competing for 200 places.

Bob Lloyd, Hendon School head teacher, said: "We decided the only way to maintain a comprehensive intake was to introduce a means of testing all the pupils and to admit them in proportion to a normal distribution of ability."

He said the actions of neighbouring schools left Hendon with no choice. Mill Hill County High School, which is grant-maintained, takes 10 per cent on musical ability and has applied to take 30 per cent more on aptitude for technology.

Mr Lloyd added: "If we did not do this we would end up as a secondary modern school. Schools must realise it is no good sitting back watching others take your most able pupils."

Barnet council, fearing the brightest pupils are being siphoned off, has formed a working party of head teachers, including some from grant-maintained schools, to see if it can somehow change admissions policies to retain a full academic and social mix at

the nine local authority comprehensives.

Anne Jarvis, Barnet's chairwoman of education, said: "Effective planning has been sabotaged and you end up with schools which already have a lower proportion of able pupils being put on a downward slide."

Jenny Brown, a member of a parents' protest group, said: "Parents are increasingly worried their child might not be what the school wants."

She added: "Because of these moves by Mill Hill County High, other schools in the borough have panicked and we are now facing a domino effect."

Martin Dannell, chairman of governors at Mill Hill, said: "We are doing this to remain comprehensive. There is no doubt the top end of our intake has been affected by other schools selecting."



Kenzie Barker, a music student at Hendon School

of pupils at 11 can have a domino effect on other schools

Insurable interest in property

Glenigate-KG Properties Ltd v Norwich Union Fire Insurance Society Ltd and Others Before Lord Justice Auld and Sir Iain Glidewell (Judgment December 21)

The phrase "the interest in the property" in a material damage proviso in a consequential loss insurance policy did not cover an insurable interest which was not a personal property interest of the insured.

The Court of Appeal so held by a majority (Sir Iain Glidewell dissenting), when, *inter alia*, dismissing an appeal by the first defendants, the Norwich Union Fire Insurance Society Ltd, from the decision of Mr Justice Phillips made on July 7, 1994 and revised on February 2, 1995.

The action had been brought by the plaintiffs, Glenigate-KG Properties Ltd, against Norwich Union, the second defendant, Scottish Union and National Insurance Co who had been dismissed by the judge from the action, and the third defendants, Lowndes Lambert UK Ltd, who were the brokers.

In March 1985 the plaintiffs purchased the former Bourne & Hollingsworth department store building in Oxford Street, London, for redevelopment into a complex of offices and retail outlets to be known as the Plaza.

The plaintiffs took out a consequential loss insurance policy with the first defendants which stipulated that if "any building or other property or any part thereof used by the insured at the premises described in the Schedule herein for the purpose of business suffers damage other than by an excluded cause [it] would pay to the insured the amount of loss resulting from interruption of or interference with the business carried on by the insured at the premises in consequence of the damage."

In the appendix to the policy the item insured was defined as being the anticipated rent which was stated to be £10,950,000. The maximum indemnity period was stated to be 36 months.

The insurance effected by the consequential loss policy was, however, subject to the proviso that "at the time of the happening of the damage there shall be in force... an insurance covering the interests of the insured in the property at the premises against such damage."

The plaintiffs wished the development to proceed as little delay as possible. It was therefore agreed that a temporary office

should be established on the first floor of the redevelopment which could be used as a temporary base by the architects, Archer, Bower and Partners, as well as by the other professional advisers who were involved.

In September 1985 a serious fire broke out at the site and the vast majority of the drawings in the architects' office at the time were completely destroyed, as was much of the office furniture itself. The destruction of the architects' drawings led to inevitable delay which the plaintiff asserted resulted in a substantial loss of rental income.

Following the fire it came to light that although the architects had insured their drawing boards and other equipment, the work in progress had not been insured allegedly due to an oversight by the broker instructed by the architects. The plaintiffs then made a claim against the first defendant under the consequential loss insurance policy which had been dismissed by the judge from the action, and the third defendants, Lowndes Lambert UK Ltd, who were the brokers.

James, Holdsworth for the first defendants; Mr Charles Falconer, QC and Mr Andrew Moran for the plaintiffs; Mr Jeremy Cooke, QC and Mr Dominic Kendrick for the third defendants.

LORD JUSTICE NEILL said that the most difficult question in the case was whether the plaintiffs had "an interest" in the architects' drawings within the meaning of the proviso in the consequential loss policy. The judge had held that they did not.

It was argued in support of the appeal that in the context the word "interest" in the proviso meant an insurable interest and that the plaintiffs clearly had an insurable interest in the architects' drawings.

His Lordship had come to the conclusion that the judge was right. In the course of the hearing the court had been referred to a number of cases which demonstrated that a person might have an "insurable interest" in property by way of a contractual licence to use or occupy the property in the first instance.

At the time of the fire the drawings were the property of the architects and in His Lordship's judgment it was the architects' responsibility to replace them if destroyed. The plaintiffs were under no obligation to insure the architects' drawings themselves.

But these cases and others clearly showed that the word "interest" in the context of insurance could have more than one meaning. It could mean an insurable interest in the wide sense used by Mr Justice Lawrence in *Lucena v Crawford* (1806) 2 B & P 269, 302.

But it could also mean an insurable interest of a more limited

kind. It depended on the context. In the present case the judge came to the conclusion that as the architects' drawings were not property in which the plaintiffs had a personal interest the proviso did not apply.

Mr Anthony Colman, QC, was correct when in his judgment in *The Moatmen* [1992] 2 Lloyd's Rep 501 it said that *Anderson v Morice* [1875] LR 10 CP 609, 1876 1 Q.B. Cas 713, a case of goods case, fell into this category of case in which the recovery of the goods was not such as to confer a sufficient certainty of benefit from their preservation or to impose upon him any certain exposure to the risk of liability in respect of their loss.

But the position would be different if at the time of the loss the insured already had rights in respect of the insured goods which might be affected if the goods were lost or damaged. In the event of such loss or damage he might be entitled to a refund or a forward sale for which a contract had already been made.

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■ DANCE

Flamenco was never more ambitious than in a new Spanish import at Sadler's Wells



■ THEATRE 1

Persian theology mingled with the mime of a modern Iranian exile make for *A Strange Bit of History*



■ THEATRE 2

... while Henrik Ibsen's *A Doll's House* is intelligently staged in a fringe festival



■ TOMORROW

Furore in Perth: Scottish hackles are raised over plans to demolish the city hall

Loose outfit well suited to every style

JAZZ

Julian Arguelles Quartet
Vortex, N16

him in the succeeding improvisation upon it.

Three originals followed, two — the jaunty soprano piece *Hix* and the tenor called *First Escapade* — taken from Julian Arguelles's latest album *Home Truths*. The other, *Skull Video*, was an extraordinary confection of industrial electronic noise and majestic, swirling tenor all set to a pounding rhythm that owed as much to contemporary jungle music as to jazz.

The quartet's second set was equally imaginative, juxtaposing folkish, John Surman-like soprano meditations; sinister washes of multilayered sound ranging from high-frequency shrieking to deep tuba rumbles, and the odd perky harmonised theme played simultaneously on two recorders.

The closing piece, Steve Arguelles's *Don't Tell Me Now*, featuring a straightforward driving tenor sax over a funky, percussive shuffle beat, was almost shockingly conventional, but it drew a lengthy and richly deserved ovation from the club's typically enthusiastic and discerning audience. Overall, they and I agreed, this was a superbly original gig.

CHRIS PARKER

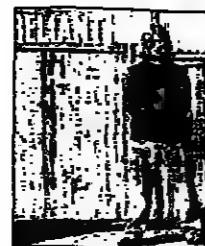
In the Bleak Midwinter, followed, drawing an affectionate, keening earnestness from the leader's tenor for the stately theme, and a full-throated sonority from

A hymn, Gustav Holst's

the purest, most elemental of sounds: a wooden flute floating over a growling tuba drone, punctuated by sudden resonating crashes from Steve Arguelles's hand-held gongs. In time, however, a rhythm emerged on cymbal and side-drums, and Julian Arguelles switched to skirling tenor to bring the piece, called *Owl*, slowly to the boil.

A hymn, Gustav Holst's

In the Bleak Midwinter, followed, drawing an affectionate, keening earnestness from the leader's tenor for the stately theme, and a full-throated sonority from



■ POP 1

From Debussy to Aphex Twin: an intriguing new CD chronicles the history of ambient music



■ POP 2

Yoko Ono, now 62, confronts demons on her first solo recording in a decade



■ POP 3

Bruce Springsteen is among the legion of stars on the soundtrack album of *Dead Man Walking*



■ POP 4

Country music, but not as we know it: the genre-bending Mavericks come to Britain

Picking up good vibrations

NEW ALBUMS: David Sinclair on a stunning exploration of the natural and manufactured sounds of music; plus the week's other releases

VARIOUS ARTISTS

Ocean of Sound (Virgin AMBT 10; two discs)

LOVINGLY assembled by the author, musician and contributor to *The Times*, David Toop, *Ocean of Sound* is an intriguing and free-ranging exploration of the roots and branches of so-called "ambient" music. Designed as a companion to Toop's book, *Ocean of Sound — Aether Talk, Ambient Sound And Imaginary Worlds* (published by Serpent's Tail), it is a compilation of tracks that all shed light in one way or another on the often overlooked relationship between the sound of music and the sounds of the environment from whence it came.

The album's range is phenomenal, extending from the frantic squalls of free jazz noise produced acoustically by the Peter Brozmann Octet on their 1988 recording of *Machinel Gun* and the distressed guitar overload of the Velvet Underground's *I Heard Her Call My Name* and *My Bloody Valentine* (*Loomer*) to the barely detectable background hum of Brian Eno's *Lizard Point* and the pastoral beauty of Claude Debussy's *Prelude à l'Après-Midi d'un Faune*, played by the English Chamber Orchestra. Along the way we hear "field" recordings of Buddhist chants, howler monkeys, boat horns, train whistles, birdsong and the extraordinary whistling of bearded seals.

The imaginative sequencing and skilful editing together of the tracks to produce a virtually seamless listening experience is impressive. Unlike connections are forged between, for instance, the 1970s jazz-fusion of Herbie Hancock's *Rain Dance* and the 1990s ambient-techno sound of Aphex Twin's *Analogue Bubblebath 1*, and there is the most wonderful sequence when the gruff, ululating voice of a Yannarundi rainforest shaman melts into the opening piano motif of Harold Budd's delicate *Bismillah Rahmani Rahim*. Elsewhere the repetitive minimalism of Erik Satie's composition *Vexations* contrasts with the complex vocal dynamics of a short Beach Boys piece called *Fall Breaks and Back Into Winter*.

As a vehicle for illustrating Toop's point — that there is a hidden world of music within the sounds that are occurring around us all the time, and that these sounds help to shape and determine our notions of what music actually is — *Ocean of Sound* functions magnificently. Both timely and scholarly, it is an album that could alter the way in which you perceive music itself.

YOKO ONO

Rising (Capitol 8 35817)

CAST less often these days as that wailing woman who drove a wedge between John Lennon and the other Beatles, and increasingly recognised instead as something of a role model for a younger generation of female performers in rock,

Yoko Ono has not released a new solo album for a decade or so. She is now 62, and to judge from *Rising* it has been 20 years since she last listened to modern popular music with any great interest.

But her enthusiasm for confronting demons, both inner and external, remains undiminished and, despite the album's dependence on quaint generic pop-punk riffs and piano ballads, this is a passionate and at times moving account of her innermost fears, hopes and struggles.

Undertaken initially as a soundtrack for Ron Destro's play *Hiroshima*, many of the numbers were inspired by her harrowing memories of life in Japan during and after the Second World War. Notwithstanding the apocalyptic imagery of *Warzone* and the extended gargling routine of the 14-minute title track, the majority of the songs are pithy and poetic.

Accompanied by her son Sean Lennon and his fledgeling group IMA, she sings of her growing sense of isolation on *Turned the Corner* and poses some suitably Big Questions on *Where Do We Go From Here*. At its best — as when she sings *Will I* to the sound of a single-looped note set against the ticking of a clock — the album is stark, simple and surprisingly affecting.

BRUCE SPRINGSTEEN

Dead Man Walking (Columbia 483534)

FEATURING music not only "from" but also "inspired by" the film in question (directed by Tim Robbins and starring Susan Sarandon and Sean Penn), *Dead Man Walking* boasts an impressive haul of new compositions by artists including Lyle Lovett, Steve Earle, Mary Chapin Carpenter and Michelle Shocked.

The bleak nature of the film, which explores the moral dilemma of a Catholic nun whose loyalties are torn between a convicted murderer and his victim's relatives, doubtless explains the unrelentingly sombre tone of most songs. For Bruce Springsteen, currently on a tediously earnest folk jag, it's ideal. His title track is exactly the dirge you would expect, while Patti Smith (*Walkin' Blind*) and Suzanne Vega (*Woman On The Pier*) are two of the more striking voices amid the general chorus of despair.

There are, however, welcome traces of black humour amid the funeral rumblings of Tom Waits and Johnny Cash. But it is left to the unlikely partnership of Pakistani singer Nusrat Fateh Ali Khan and Eddie Vedder of Pearl Jam to provide both album and film with a genuinely distinctive musical core.

ST ETIENNE DAHO

Resurrection (Virgin 7243 8 93070)

IN A week of challenging, cross-cultural collaborations, the strangest has to be the entente cordiale between French cult crooner Etienne Daho and synth-pop scoundrels St Etienne from Croydon.



Ambient warriors: (Top) the Beach Boys; (above left) the Aphex Twin; (above right) Claude Debussy

TOP TEN ALBUMS

1. (What's the Story) Morning Glory? ... Oasis (Creation)
2. Robson & Jerome ... (RCA)
3. Different Class ... (Pulp Island)
4. History ... (Michael Jackson (Epic))
5. Said and Done ... (Boyzone (Polydor))
6. Something to Remember ... (Madonna (Maverick))
7. Made in Heaven ... (Queen (Parlophone))
8. The Memory of Trees ... (Enya (WEA))
9. Power of a Woman ... (Eternal (EMI))
10. Jagged Little Pill ... (Alanis Morissette (Maverick))

© CIN

Wild horses drag rock into the country

Paul Sexton meets those hard-blasting, easy-listening, award-winning Nashville twangiers, the Mavericks



Everyone's invited to the Mavericks' party — including Elvis, Ray Conniff and Buck Owens

Raul Malo has a pet phrase. The lead singer of the Mavericks is fond of asking "Why not?" When one ponders the formal-challenging, genre-straddling success of America's hottest country band, the only possible response is another question: Why?

Who ever heard of a country band coming from Florida with a second generation Cuban for a frontman? What odds would you get against four friends who started out playing bar gigs for bemused bikers winding up as the Country Music Association's reigning Vocal Group of the Year? And what about that page in Nashville's etiquette manual that states, in large type, that Country Bands Must Not Fraternise With Rock Audiences?

The Mavericks have made conform to the manual with a series of albums in which their love of both rock'n'roll icons and easy listening crooners has produced a meaningful and happy marriage. One in which the ghosts of Elvis Presley and Roy Orbison live on the same block as Frank Sinatra and Tony Bennett, and meet for a long-playing party at the Country Music Hall of Fame with Eddy Arnold and Buck Owens.

In the past year, numerous extra-curricular activities have shown that this is a country act with a different agenda from the guys with big hats and bad moustaches. The Mavericks appeared on the tribute album to Southern rockers Lynyrd Skynyrd, contributed *True Love Ways* to a forthcoming Buddy Holly tribute, and got their version of *Blue Moon* on to the soundtrack of *Apollo 13*. Malo even co-wrote and sings on a track on an impending album by Neil Diamond. But then this is the man who happily tells you: "I enjoy Ray

Conniff records as much as Alanis Morissette records."

It's a cross-pollination that reaches a new level on the current Mavericks album, *Music for All Occasions*, in which the word "retro" becomes a compliment again.

Last Sunday in Dublin, the Mavericks opened their first full-scale European tour with a show at the Olympia that set music back about 40 years.

If there is a more unpretentious

enjoyable concert in 1996, I look forward to it. Here were tales both old and new of empty glasses and broken hearts: classics like *Tonight the Bottle Let Me Down* and *Make the World Go Away* and group compositions such as *Missing You*, *Here Comes the Rain*, and the show-stopping *I Should Have Been True*, the best song Roy Orbison never recorded. Not to mention a helping of *Jambalaya* and a splendid *Guantanamera*.

And all because, Malo says,

the Mavericks are still in this for the laughs.

"If 'retro' means let's have some fun, then why not?" he says, giving his catchphrase another airing. "We watch a lot of old footage on the bus, and there's an episode of Johnny Carson where Dean Martin, Joey Bishop and Bob Hope are on the show, and they're all drunk as hell, they're all smoking ... If you were to do that now, you'd be in serious trouble. We've become so concerned about

being politically correct that we can't do or say a damned thing anymore."

Part of our own little mission is hey, just relax. I don't know if any artist who's curing cancer, or saved humanity. I'm as involved as the next artist in charitable affairs, but to take your work so seriously is kind of a travesty. It's just music, and we're lucky to be doing it."

Perhaps the most encouraging aspect of the Mavericks' steady rise is the extent to which they have maintained such a distinctly rock'n'roll outlook on their life and work, yet still been embraced by the Nashville establishment, hardly renowned for its open-mindedness. The fact that

bassist Robert Reynolds is married to country demi-goddess Trisha Yearwood is no hindrance, but in previous instances of an artist challenging certain genre rules — as LCD Lang discovered — the state of Tennessee has responded with a forceful "Not today, thank you."

"I saw footage of the CMA Awards", Malo says, "and we pretty much look like a bunch of freaks compared to everybody else. That's not something we planned, it's just the way we are." But it did not stop the Mavericks from leaving country's gala night last October with their trophy.

Some three years ago, the group left Miami and made Nashville their home. "I have a lot of good friends in Nashville," Malo says. "There's a very cool segment of the industry there. Miami was getting out of hand, and we realised early on we could either stay there and play for a couple hundred bucks a week in whatever club, play all night and sleep all day, or actually get up off our asses and go to work, get in a van and pay our dues."

"Tell you the truth, it was pretty risky. We didn't know if Nashville would be the right place for us. But we thought it would be good for business and, hell, if we can make things up a bit, why not? And it's worked out great."

British audiences have five chances to see the Mavericks' musical democracy in action later this month. Conniff fans welcome, but please, no labels.

• The Mavericks play Shepherd's Bush Empire on Jan 25 and 26, Manchester University Academy (Jan 29) and Glasgow Royal Concert Hall (Jan 30). The album *Music for All Occasions* is released by MCA. Here Comes the Rain is released as a single at the end of the month.

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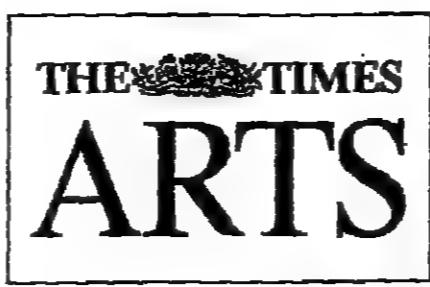
Cinema details correct at time of going to press



CHOICE 1
No talking, please:
silent wonders
meet for London's
Mime Festival
VENUE: Opens tonight
at the Purcell Room



CHOICE 2
The Bournemouth
Orchestra plays
Sibelius and
Tchaikovsky
VENUE: Portsmouth, Fri
Bournemouth, Sun



CHOICE 3
Sir Charles
Mackerras directs
Mahler's Seventh
Symphony
VENUE: Free Trade Hall,
Manchester, tomorrow



VISUAL ART
Christie's mounts
a fascinating
show that
portrays Brazil
as early visitors
saw it

LONDON
LONDON INTERNATIONAL MIME FESTIVAL Seven days of mime, laughter and the surprising gifts of communication, from sports to sex, from the most fascinating to the most horrific, for one performance. Details: www.arts.com/arts/london. Information 0171-337 5661. Until Jan 26.

LINDSEY QUARTET British's superbly composed chamber of Boethius's 10th-century *Consolations* and *Consolations of Philosophy* and *Consolations of Nature* and *Consolations of the Soul* (all 1994) and *Consolations of the Heart* (1995) are on the South Bank on Jan 24. Wigmore Hall, Wigmore St, W1 (0171-923 2411). Tickets 7.30pm.

RETURN TO THE FORGOTTEN PLANET London's first production of the Turner Prize shortlist of *The Books of Fire* and *Water* (both of the 1960s and 1970s) is at the Barbican, Barbican Avenue, WC2 (0171-923 2376). Tickets 7.30pm.

SHAKESPEARE William, W1 (0171-923 2376). Tickets 7.30pm.

BLOODY KNOT Abol Fugard's celebrated 1961 play, directed by Sir Peter Hall, is a portrait of two South African brothers, one right-minded, the other dark. *A Strange Plan* (Principals, Barbican, WC1 (0171-923 2376). Tickets 7.30pm.

A CHRISTMAS CAROL Final performance by Ian Judge, a popular but controversial production. *Christmas* plays Soho, Barbican, EC2 (0171-688 0891). Tickets 7.30pm.

DEAD FUNNY Barbara Lang, Kevin Kline and Sam Rockwell in a cartoonish and funny play about careers and some of their fans (Survey, The Strand, WC2 (0171-683 8036).

NEW RELEASES DEVIL IN A BLUE DRESS (15) Sonorous, atmospheric thriller with Geena Davis as the ordinary Joe in the faded Irish beauty and the beast. *Devil* (1995) is on the day. MGM, Baker Street, W1 (0171-923 9772). *Chesapeake* (1995) (15) Oxford University Press, 100 St. James's St, WC1 (0171-222 5076). *Death of a Salesman* (1947) (15) Monmouth, Monmouth, Monmouthshire (0162 832 3231). *Edie* (1995) (15) Piccadilly, London, W1 (0171-923 2376). *Get Shorty* (1995) (15) London, W1 (0171-923 2376). *Good Will Hunting* (1997) (15) London, W1 (0171-923 2376). *Home Alone* (1990) (15) London, W1 (0171-923 2376). *Home Alone 2: Lost in New York* (1992) (15) London, W1 (0171-923 2376). *Home Alone 3: Back in the Saddle* (1997) (15) London, W1 (0171-923 2376). *Home Alone 4: Santa Claus is Comin' to Town* (1998) (15) London, W1 (0171-923 2376). *Home Alone 5: The Lost Boys* (1999) (15) London, W1 (0171-923 2376). *Home Alone 6: The Good Son* (1999) (15) London, W1 (0171-923 2376). *Home Alone 7: The Final Option* (1999) (15) London, W1 (0171-923 2376). *Home Alone 8: Home Alone* (1999) (15) London, W1 (0171-923 2376). *Home Alone 9: Home Alone* (1999) (15) London, 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Home Alone* (1999) (15)

Dublin Flyer rises above adversity

BY JULIAN MUSCAT

NEVER doubt a street-fighter with his back to the wall. Circumstances conspired entirely against Dublin Flyer at Wincanton yesterday, but the horse simply powered to victory in the John Bull Chase. Make no mistake, Dublin Flyer presents a formidable barrier to One Man winning the Cheltenham Gold Cup.

Dublin Flyer's dislike of racing right-handed has been well documented, and the portents looked ominous when this habitual front-runner was left many lengths at the start. Nevertheless, he looked in control until an appalling blunder at the final ditch saw Travado, Viking Flagship and Lusty Light engulf him like a rash.

But such adversity brings out the best in him. Woe betide any horse who dares head him, as Egypt Mill Prince discovered in the Mackeson Gold Cup in November. This time Travado threw down the challenge and Dublin Flyer responded with typical brio. He drew seven lengths clear of Nicky Henderson's chaser, with Viking Flagship a disappointing eight lengths further behind.

It was a thoroughly convincing display, punctuated — so

one error apart — by some quicksilver fencing. Debate will now rage on Dublin Flyer's ability to be as effective over the 3½ miles of the Gold Cup, for which Coral offers a best-priced 14-1.

Brendan Powell, who rode the ten-year-old, entertained few doubts. "I can't see any reason why he shouldn't stay. One Man is a good horse but he will have to jump with me down the far side at Cheltenham." That, in a nutshell, is the challenge facing One Man. To witness him engage Dublin Flyer at Cheltenham would be a sight to behold. But the duel, if it materialises too far from home, would surely compromise both horses.

Tim Forster, who has trained Dublin Flyer with a sure hand, can hardly countenance the improvement in his charge. Indeed, the horse looked beaten when falling at the final fence in this race 12 months ago. Yet Lusty Light, the winner on that occasion, trudged home more than 15 lengths back yesterday.

Last year I thought Martha's Son was two stone in front of Dublin Flyer," Forster said. "This was a fine performance. Brendan [Powell] said the horse was hanging

badly that he could hardly ride him."

Any amount of hard riding would not have stirred Viking Flagship. Richard Dunwoodie reported him some way off peak fitness but the two-mile champion chaser's crown hangs by the slenderest of threads.

Norman Williamson re-

ceived encouraging news after a visit to his doctor.

Subject to favourable X-rays on February 5, Williamson

plans to return at the Tote

Gold Trophy fixture at

Newbury five days later.

The jockey has been out of action

since breaking his right leg at

Sedgefield in October.

Jim Old has withdrawn

Mole Board and Collier Bay

from The Ladbrooke at Lea-

pardstown tomorrow. The

former's absence precipitates

a minimum 13lb rise in the

weights while the latter was

quoted 4-1 favourite by the

sponsors after his Sandown

victory on Saturday.

□ Peter Easterby is to hand

over the reins of his Habton

Grange stables, near Malton,

to his son, Tim. "Tim will have

the licence to run things from

February 1, but I haven't

handed in my own licence,"

Easterby said yesterday.

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Why coming sixth is a champagne moment at Punchestown

Last Tuesday afternoon, the clerk of the course at Plumpton held an inspection and announced that the track was waterlogged. As a consequence, Wednesday's meeting was abandoned, which grieved me, for I had intended to go. Plumpton is an agreeable place; the train from Victoria drops you at the door and since they bulldozed the hill behind which the horses disappeared before they, and possibly some other horses, came back into sight, it has provided good sport.

So, on Wednesday I went to Punchestown. My eldest daughter attended a funeral in Wakefield. She had to take her place by 11.30am and, as there are no bargain fares at that time of day, the return train journey cost £9.50.

I flew to Dublin from Gatwick for £68 return and could have flown there from Stansted for £48. It is the new thing: no trappings flights. Seat yourself and, if

you want tea or coffee, you should have brought a thermos.

Punchestown is 45 minutes out of Dublin, a country course that has a festival week of fierce activity in late April and for the rest of the year holds nicely downbeat meetings at which people reminisce and get into trim. Wednesday was fine and sunny, the going was soft, the crowd modest and the rates of bookmaker-to-punter seriously intimidating.

Racing is a sport that comes naturally to the Irish. This is horse country, the natives are knowledgeable and, when the runners parade, the people stand six-deep around the ring when the horses canter to the start, the manner in which they go down is assessed with expertise.

There is a totalisator which is straight and honest, as are all totes. Bookmakers, on the other hand, are extrovert and cunning and call you "lad" as in "Come

on lads, who's going to take me to the cleaners?" Unlike our Honest Mick, who calls himself a turf accountant and plays it by the book, Honest Pat provides "niche" bets, like who is going to be the best of the unfancied runners, he makes a book without the five horses likely to be involved in the finish. I do not know many places where you can watch your horse come sixth and celebrate the success in champagne (non-vintage Moët is priced at £40 a bottle. Shame on them).

Racing being part of the Irish way of life, people at Irish racecourses take these events in their stride, do not make occasions of them, neither dress up or

down. If you go racing with your girlfriend, you snag, go with your enemies, you argue, take your parents, persuade them to change their will... just as you do in life. While you are there, you eat chicken sandwiches and drink Hot Irish — a tot of whiskey, a slice of lemon, a lump of sugar, clove, the glass filled up with boiling water.

I go to the Punchestown National Hunt Festival every year. It is the Celtic Cheltenham: huge crowds, mammoth bets, six days of *écrin* (pronounced crack) — which is a blend of conversation and Guinness and chancing your luck with a hooley to see you through to breakfast.

They like the Brits, are pleased to see us, are warm and tactile and hospitable, and accept our money; they even used to give us 52 of their punts for a £50 note if we made an issue of it. That has changed.

The Tote window has a notice regretting that they do not accept sterling and a counter at the end of the building is manned by one manifesting all the casual charm of John Redwood, who demands 50p for changing a tenner into that number of punts. The files have eaten the fly paper.

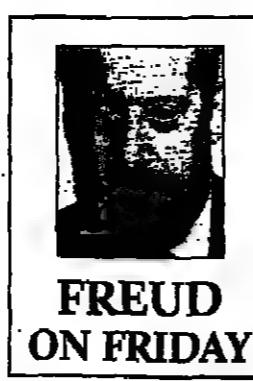
The quality of Wednesday's racing was mediocre humdrum bumbles, chases that you could take or leave and a National Hunt flat race for those who like to stay to the end and become part of the traffic jam.

I backed Richard Dunwoody's horses. I reckoned that he had paid more than £1 for the flight across the Irish Sea and

that this was with some purpose in mind. Wrong.

Because this is not festival week and too early for American citizens tracing their ancestors, too late for Christmas celebration, the restaurant where I dined was empty, the food the way food is when the chef has no impetus. If the soup had been as hot as the champagne, the champagne as old as the chicken... that sort of meal. Then brandy at the Manor Inn in Naas, which, in late April, beaves with gregarious humanity; it now boasted three men at the bar and two women whispering in a corner. Right place, wrong time.

Racing in Ireland is an option that should be considered. Unless you are silly enough to indulge in what we call judicious investment and others deem "mug punting", a trip to Punchestown costs less than an outing to a noon funeral in Wakefield.



Keegan has plenty of work to do on Tyneside

BY OLIVER HOLT

IT HAPPENED this time last year, when he sold Andy Cole to Manchester United, and now it is upon him again. Pressure and its icy blast have a habit of descending on Kevin Keegan, the Newcastle United manager, in the gloom of January. David Ginola's dismissal in his team's 2-0 defeat at Arsenal on Wednesday night, for elbowing Lee Dixon, and the subsequent Football Association inquiry into the unseemly touching behaviour of Terry McDermott, mean it is close to crisis-time again.

The FA confirmed yesterday that, although the police will not take any action against McDermott, Keegan's assistant, or Bruce Rioch, the Arsenal manager, for their shoving and finger-pointing in the aftermath of Ginola's dismissal, both men will be asked to submit their versions of events to Lancaster Gate.

The match referee, Gerald Ashby, was also ordered to submit an immediate report.

SEMI-FINALS

Arsenal v Aston Villa
Norwich v Birmingham v Leeds
First legs to be played on February 11 and 14; second legs on February 21 and 25

on the touchline fracas, based on the evidence of his linesman, Raymond Olivier, who described it as "an aggressive verbal confrontation".

Rioch admitted that he lost his temper after a remark by McDermott, thought to have referred to the Arsenal manager's own combative style during his playing days.

For Newcastle, though, the worst aspect of the ugly scenes that completed a difficult day for English football was that they threw the future of Ginola, who has made a huge impact at St James' Park with his wing play, into doubt.

The flamboyant Frenchman admitted at the weekend that he was lonely in the North East and Keegan spoke openly after Wednesday night's fixture of "trying to talk him round", hinting that the player was ready to move on.

There must be something about Frenchmen and January nights in the English capital that just do not mix. Eric Cantona's excursion into the crowd after his sending off

at Selhurst Park this time last year effectively scuppered Manchester United's chances of overtaking Blackburn Rovers at the top of the FA Carling Premiership. Ginola's aberration and anticipated three-match ban could hamper Newcastle's attempts to maintain the seven-point gap between themselves and Manchester United. Suddenly May seems a long way away.

Of course, there were extenuating circumstances behind Ginola's dismissal, in the 67th minute of the Coca-Cola Cup quarter-final. Many Arsenal supporters said they had not witnessed such ferocious booting of a player since Mark Hughes and Paul Trickett, then of Manchester United, came in for special treatment in a particularly fraught match at Highbury two years ago. Ashby compounded matters by booking the Frenchman for diving when he fell under a cynical tackle from Nigel Winterburn.

"When the rules do not protect the gifted players," Keegan said, "then we are in trouble. Ginola was more sinned against than sinner tonight and yet he was the one who was sent off. He is very different to Cantona in some ways, but I think they both have problems playing in English football."

In purely practical terms, too, Ginola's absence will be a heavy blow to Newcastle. Their huge squad has been pared down by the recent sales of players such as Ruel Fox and Scott Sellars and the injury to Keith Gillespie. With Ginola gone, too, suddenly there is a dearth of wide players to supply the ammunition for Les Ferdinand.

If there is any consolation for Newcastle supporters in all of this, it is that Keegan took pains to remove himself from talk of the succession to Terry Venables as England manager.

"It has got absolutely nothing to do with me," he said. "My place is at Newcastle and, judging by the way we have played in the last few matches, we have got a lot of work to do."

Howard Kendall, the Sheffield United manager, will announce the club record signing of Don Hutchison, from West Ham United, for £1.2 million this morning.



Yuran, front, can see no problems after signing for Millwall, while Kulkov sees driving on the left as his biggest worry

Millwall's Russian revolution leaves comrades lost for words

Russell Kempson travels to the New Den

to meet the first division's latest imports

It was not quite a cloak-and-dagger operation, masterminded by storm-faced men in heavy coats; it was not quite a proper press conference, with the subjects waxing lyrically and lucidly about their hopes for the future. When east met west yesterday, when Millwall introduced Sergei Yuran and Vasili Kulkov to the assembled media, there was little to be said. The Russians may be coming, indeed have arrived, but they do not speak a word of English.

Instead, the thoughts of Yuran, 26, and Kulkov, 29, were heard via the voice of Elena Sidwell, interpreter, confidante, football broker and all-round Mrs Fido. It was her diplomacy, and the negotiating skills of the New York-based sports agency she works for, that arranged for the Russia internationals to trade in Spartak Moscow for south-east London.

Such a glamorous and globe-trotting life Sidwell

leads. Last Friday, to the New Den in Bermondsey, to announce the signings, this week, the Millwall training ground at the former Midland Bank sports club in Bromley, to unveil the new boys; next week, Colombia, to set up another deal.

Yet only two hours earlier, Millwall's proudest moment almost founders because of last-minute nerves. "The lads were not keen to do this," Mick McCarthy, the Millwall manager, said. "It is all a bit embarrassing for them. They just want to play football, but they eventually agreed."

So... did Yuran, a striker, or Kulkov, a defender, expect any hitches as they attempt to settle in this country? "I like London," Sidwell said that Yuran said. "My main task is to play and I can't see any problems. Millwall is a prom-

ising club for the future; if they go up to the premier league, we will go with them. That is why we came here. They made us a specific offer."

The financial carrot, reputably dangling in the region of £5,000 a week until their loan spell expires at the end of the season, was equally enticing to Kulkov. "My main concern is I must learn to drive on a different side of the road," Sidwell revealed that Kulkov joked. "Once I get used to that, there will be no problems."

Yuran and Kulkov will play in the Endstieh Insurance League first division match against Port Vale at the New Den on Saturday, when the Millwall supporters, not usually noted for their tolerance, will have a first chance to discreetly suggest that perhaps Vasili should concentrate a bit more or that Sergei

ought to be a little sharper with his finishing.

"They've got nothing to prove to me," McCarthy said. "They just want to prove they can play in England. We've eased them in gently this week and they've been fine."

Johnson Miami bound

American FOOTBALL: Jimmy Johnson is expected to be named coach of the Miami Dolphins, succeeding Don Shula, who has retired. Johnson coached the Dallas Cowboys to two Super Bowl triumphs before leaving two years ago after falling out with the team's owner, Jerry Jones. Wayne Huizenga, the Dolphins' owner, had a five-hour meeting with Johnson, who has also had talks with Tampa Bay about their coaching vacancy earlier this week. Johnson coached the University of Miami for five seasons and is a strong favourite among supporters for the job with the Dolphins.

Champions on new track

CYCLING: Rob Hayles and Russell Williams, the British Madison track champions, have signed for Team Ambrosia, joining a four-man team of road specialists that was announced last week. Hayles, who turned professional 12 months ago, was the most influential rider for London in the opening round of the five-city track league at Manchester last weekend, with three victories, and will compete again tomorrow in the next stage of the five-week series. He will use early-season road races as preparation for his attempt to gain a place in the Great Britain squad for the 4,000 metres pursuit at the Olympic Games.

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Patten challenges Peking to set up democratic council

FROM JONATHAN MIRSKY IN HONG KONG AND JAMES PRINGLE IN PEKING

CHRIS PATTEN, Hong Kong's Governor, yesterday challenged Peking not to establish a "counterfeit" Legislative Council here and vowed to continue to call for democracy and the rule of law.

Earlier, British officials in Peking had enthused about an improvement in Sino-British relations after three days of talks between Malcolm Rifkind, the Foreign Secretary, and Chinese ministers. It was difficult to see, however, what had been achieved.

Despite the high hopes raised by Mr Rifkind's first visit to China, and the gloss he put on his meetings with Li Peng, the Prime Minister, and Qian Qichen, the Foreign Minister, it was clear last night that little progress had been made on the two main points at issue: the retention of the Legislative Council after the transfer of sovereignty in June 1997, and a greater role for Mr Patten.

The point was reinforced yesterday when Mr Qian said that abolition of the Legisla-

tive Council in 1997 was not negotiable.

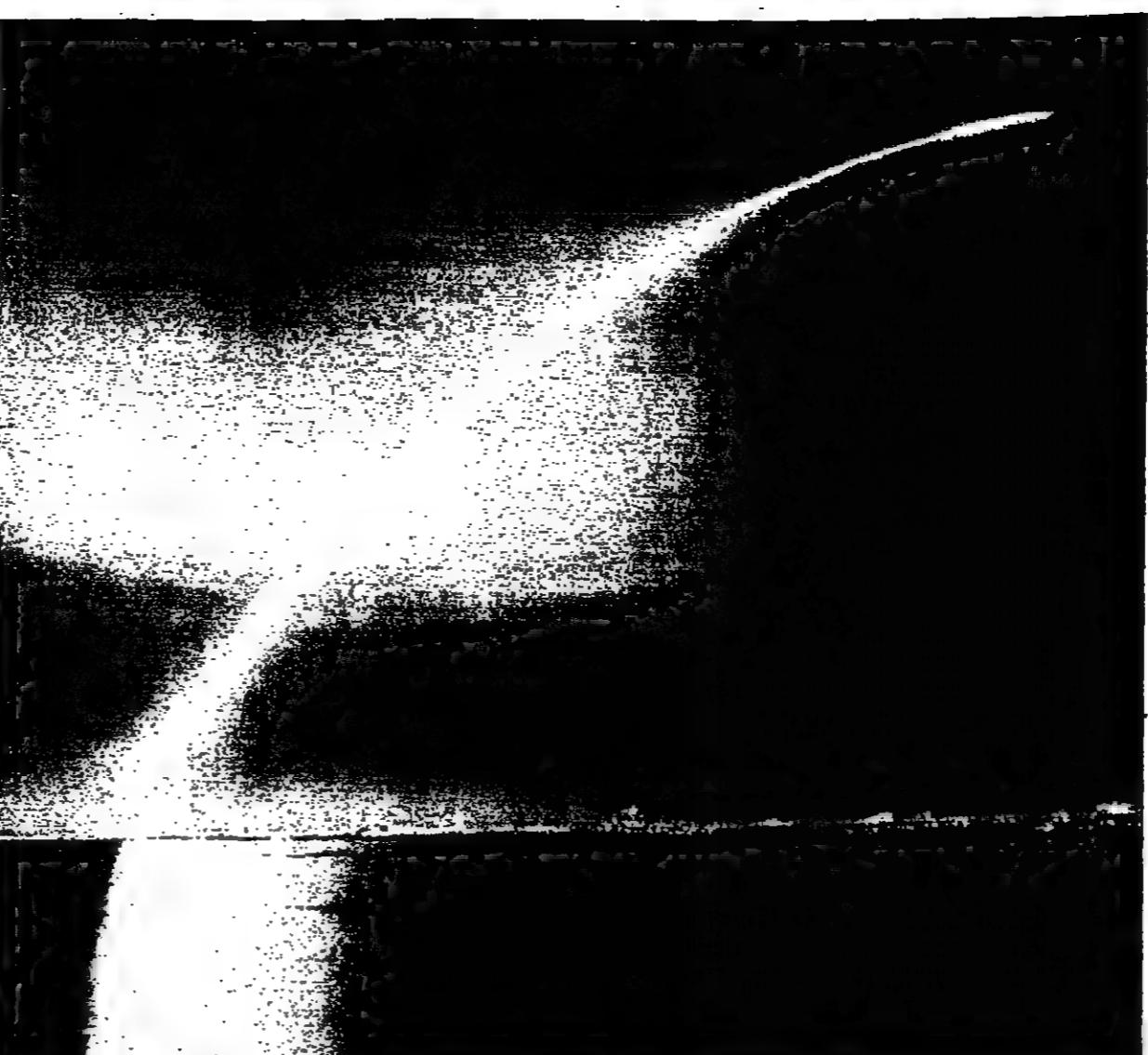
Mr Patten, meanwhile, speaking on Hong Kong's government radio station, questioned whether Peking intended to set up a fairly elected legislative body or "a cardboard cut-out, or a counterfeit".

The remark will outrage Peking, which describes Mr Patten's constitutional changes, including the elected council, as a violation of British-Chinese agreements on the political structure of the colony in the run-up to 1997.

Peking says it will establish a "provisional council" on July 1, 1997, and hold elections for a substitute body at a later date.

On the question of raising important issues, Mr Patten said: "I will continue to speak up for the rule of law and freedom of speech." He said he intended, courageously, to continue to debate political matters with the Chinese, insisting that acquiescence would mean "breaking promises to the people of Hong Kong".

Letters, page 17



The shuttle Endeavour streaks skyward yesterday from the Kennedy Space Centre in Florida, leaving the city of Cocoa Beach on the right. A crew of six will undertake a nine-day satellite retrieval and scientific mission

Dissident warns of threat to Dominica

By MICHAEL BINYON
DIPLOMATIC EDITOR

THE Saudi dissident, Dr Muhammad al-Masari, facing deportation from Britain gave a warning yesterday that his arrival in Dominica would endanger safety on the Caribbean island.

Speaking shortly after handing in his appeal papers contesting the order by Michael Howard, the Home Secretary, Dr Masari said he fully agreed with Rosi Douglas, the opposition leader in Dominica, that his presence on the island would be a threat to its safety. He said Dominica had only 300 police, who could not stop a mercenary force of 50 to 60 people who might be sent to eliminate him.

"The country is simply too small," Dr Masari said. He had discussed the issue with Mr Douglas during his visit to Britain on Tuesday and noted that the opposition would move a vote of no-confidence in the island's Government.

Dr Masari, an Islamic activist, also denied a report in today's *Jewish Chronicle* that he had links with an Islamic group in Britain which had threatened Jewish students.

Socialists take on Tokyo's poisoned finance chalice

FROM GWEN ROBINSON IN TOKYO

JAPAN announced a conservative-dominated Cabinet yesterday under Ryutaro Hashimoto, the new Prime Minister, with key posts for the Liberal Democratic Party and finance going to the Socialists.

The post of Finance Minister has always been regarded as one of the most powerful positions. However, recent financial scandals and problems, including a government plan to use nearly 700 billion yen (\$4 billion) in taxpayers' money to liquidate financially-troubled housing loan firms, has taken the lustre off the portfolio.

Mr Hashimoto is known to have offered the post to numerous senior LDP politicians, but they all turned it down. The Liberal Democrats have taken on the key posts of home affairs and defence.

Wataru Kubo, the secretary-general of the Socialist Party, agreed to take the finance post, reportedly on the basis that he will also serve as Deputy Prime Minister.

Mr Hashimoto appointed Yukihiko Ikeda, a former Defence Minister and LDP colleague, as Foreign Minister. Mr Ikeda will have to face the difficult task of handling Japan's relations with the United States, amid growing opposition from the southern island of Okinawa to the presence of US military bases.

With the main opposition New Frontier Party led by Ichiro Ozawa, a former LDP strongman, the political situation is akin to having Michael Portillo and John Redwood in charge of the two main parties in Britain.

This renewed entrenchment of the Right is extraordinary for, after the general election of July 1993, the 38-year period of continuous LDP rule ended and power was assumed by an eight-party coalition intent on changing the direction of politics and breaking what had become one-party dominated rule. What went wrong?

Part of the answer lies with the split in the LDP which precipitated the 1993 election, prompted by the younger members' impatience with the septuagenarians who ran the party.

It was Mr Ozawa who passionately argued the need for change and initiated what became known as the *futari no kuni* or "normal country" debate.

To Mr Ozawa, "normal country" equates with one which can defend itself independently.

The strong-arm tactics and backroom defection deals of Mr Ozawa eventually led to

the formation of the 170-member New Frontier Party

which last year proved its

ability as a credible fighting

force when it won 54 of the 84

seats on offer in the Upper

House elections. Since 1993

the Socialists have been

bounced between coalitions

like a political football, even-

ually forming an unusual

alliance with the LDP under

the temporary caretaker

prime ministership of

Tomiochi Murayama. During

this time, to make their mar-

riage to the LDP work and in

the hope of engaging the

electorate's trust, the Socialists

recanted all of their key

politics. After the resignation

of Mr Murayama and the

sidelining of the Socialists,

the Right has again reasserted

itself in government under

Mr Hashimoto.

Moreover, now the leadership

of the two main parties has

skipped a generation.

Japanese politics is faced with

the relatively youthful Mr

Hashimoto, aged 58, and Mr

Ozawa, 53. The desire for

change which led to the initial

split of the LDP is still

apparent, with both leaders

being vocal in their support

for Japan's claim of permanent

membership of the United

Nations Security Council,

and both arguing for constitu-

tional change.

With the Socialists side-

lined a political scenario has

arisen where two conservative

parties vie for power. Mr

Ozawa and the Right have

clearly won the "normal country"

debate. Whether this re-

sult was serendipitous or

sheer Machiavellianism on

the part of Mr Ozawa, the

emergence of two main con-

servative parties and the ex-

pectation of high Socialist

Party losses in the next elec-

tion does raise fears about the

legitimacy of a democracy

whose opposition and govern-

ing party is represented by a

conservative block with few if

any balancing factors.

Paul Carter researches Japa-

nese politics at the Centre for

International Studies, Uni-

versity of Cambridge.

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*Not available on 1.4 or 1.8 Turbo Diesel. ††Standard only on 1.6. *On the road price includes Recommended Retail Price, delivery charges, 12 months road tax and first year's motorway and urban charges and first vehicle shown. Escort Cabaret 1.6i. Also available Escort Cabaret 1.8 Turbo Diesel - £12,500 on the road.

German economy renews fears over single currency

FROM CHARLES BREMNER IN BRUSSELS

FRESH proof of trouble in the German economy yesterday increased a wave of pessimism that has spread this week through continental capitals over the prospects for achieving the launch of a single European currency.

Fears that Germany, the anchor of the planned currency, could fail to meet the conditions for entry in the economic and monetary union (EMU) sharpened with its report of a meagre 1.9 per cent growth last year and predictions by economists that worse would come this year.

Most embarrassing for Germany was the confirmation that it failed last year to live up to the Maastricht calling on budget deficits. Its shortfall was 3.6 per cent of gross domestic product, compared with a 3 per cent limit in the "Maastricht criteria".

On Monday, France reduced its official growth forecasts in the face of a

slowdown, while some experts wrote off French hopes of meeting the "Maastricht criteria", the strict terms which must be achieved next year to qualify for EMU entry. "It is now certain that France will not be ready," *Liberation*, the pro-European Paris daily newspaper, said yesterday. "Barring a miracle, the plan for passage to the single currency... will not work."

Evidence of the downturn in France and Germany is heightening anxiety in the European Commission and

ministries, where officials have been striving to keep up the confident front adopted in Madrid last month when European Union leaders baptised the euro currency and fixed the timetable for the EMU launch on January 1, 1999. It is becoming more likely that leaders will soon have to breach the taboo they imposed on themselves and review options for a delay beyond 1999.

Privately, even officials in federalist states acknowledge that a delay of a couple of years would relieve the pressure building everywhere, except in Luxembourg, as a result of the rush to the EMU deadline.

Supporters of the single currency could extract comfort from the publication yesterday of the Commission's annual survey of public opinion. This found that support for the EU had stopped falling over the past couple of years.



Russian soldiers move artillery up the village of Pervomaiskoye yesterday as Chechen guerrillas threatened to start killing their hostages

Russian police escape from Chechen captors

FROM CARLOTTA GALL
NEAR PEROVMAISKOY

FOUR Russian special forces officers escaped last night from the village where they were among more than 100 hostages being held captive by Chechen guerrillas, *Tass* news agency reported.

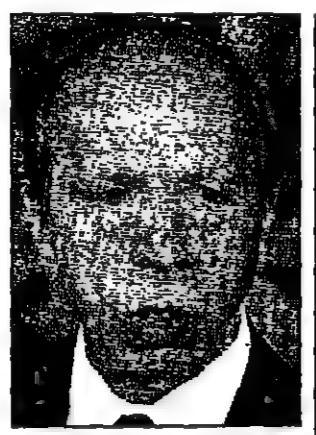
Quoting the Russian Interior Minis-

try, it said that the four managed to make it back to the lines of Russian troops encircling Pervomaiskoye. The police, all members of OMON special forces, were among 37 seized by the guerrillas who were making their way back to Chechnya in buses after raiding the neighbouring town of Kizlyar. Earlier yesterday, a column of armoured personnel carriers and

lorries moved towards the Dagestan village where the fighters and their captives have been held. The Chechen fighters threatened to start shooting captives if the heavy armour went closer than 100 yards. Towards evening they and the hostages were dispersed among different houses. It emerged during the day that the Chechens were holding about 100

people from the village. Moscow security experts said the Russians were probably preparing to storm the houses. Casualties from three days of the crisis stand at more than 20 dead.

The Chechen rebel President, General Dzhokhar Dudayev, said that the hostage seizure could be the start of a terror campaign inside Russian territory.



Dini: faced defeat in parliament

Italian leader resigns again

FROM JOHN PHILLIPS
IN ROME

LAMBERTO DINI, the Prime Minister of Italy, yesterday offered his resignation to President Scalfaro for the second time in a fortnight, deepening the political crisis marred the country's European Union presidency.

Signor Dini announced his decision at the end of a three-day debate in the lower house of parliament on the future of his Government of technocrats. He previously offered his resignation to President Scalfaro on December 30, fulfilling a promise he made to parliament last year.

The President refused to accept it and sent him back to parliament to see if he could secure a majority to carry on. But in the debate in the lower house, both the Centre-Right and extreme Left parties vowed to support a motion of no-confidence. Signor Dini evidently preferred to resign to avoid a humiliating defeat.

"The technical government over which I have presided has exhausted its 'duties,'" Signor Dini said to applause from MPs. "Now a new phase of political life can begin."

The public RAI television said the President might again refuse his offer of resignation and give Signor Dini an "exploratory mandate" to see whether he can form a new government.

Serb leaders speed Sarajevo exodus

FROM STACY SULLIVAN IN SARAJEVO

SEPARATIST Bosnian Serbs, whose leadership has been threatening an exodus from Serb-held areas around Sarajevo, stepped up the pace of their departure yesterday, moving out their belongings, digging up relatives' remains and scorching the earth behind them.

On a hill above Grbavica from which Serb forces shelled the Bosnian capital, flames ripped through six homes that had been abandoned because of their proximity to the front line. "We weren't living there, but it's better that no one should have the house, no Muslim will get it," said Dragan, a Serb with a wife and baby.

In nearby Ilidza, the family of Obrad Popadic, the former commander of the hardline Ilidza brigade killed in May 1994, exhumed his remains. The fallen commander's wife

Falklands claim not believed

London: Three-quarters of Argentinians do not believe that their country will win sovereignty over the Falkland Islands during the presidency of Carlos Menem, according to a poll commissioned by an Argentine think-tank. (Michael Binyon writes).

The December poll of 1,000 people showed that 76 per cent believed President Menem would not gain sovereignty. He made this a central plank of his recent re-election campaign. The more educated the respondents, the less likely they were to believe him.

Andrew Gurr, Chief Executive of the Falklands Government, said the islanders knew that much of what was said about sovereignty was rhetoric, "but it is gratifying to note that this is seen as rhetoric by the Argentine people".

Atlanta danger

Washington: Atlanta, site of this year's Olympic Games, is the most dangerous American city in terms of crimes such as murder, rape, robbery and aggravated assault, according to a private survey. (Reuters)

Journalist freed

Lagos: Nigeria has freed on bail a British journalist after charging him with possessing seditious material, diplomats said. Paul Adams, of the *Financial Times*, had been detained for a week. (Reuters)

Force allowed

Jerusalem: Israel's High Court of Justice decided to allow interrogators to use force against a Palestinian suspected of involvement in a bombing last year that killed 21 Israelis. (Reuters)

Angler bitten

Konakovo, Russia: When an angler celebrated catching a 28 in pike by giving it a kiss, it bit back. Its jaws stayed tightly locked on his nose, even after friends cut off its head, until doctors removed it. (AP)

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Croydon 500 Purley Way, Five
Ways, SE10 (Ad. Testa)
Enfield Great Cambridge Road,
(A10) and Salvage, entrance on
Southbury Road
Harrow Harrowgate Ayley Malls
Retail Park, London Road, (Old A41)
Brent 643 Eastern Avenue
Ruislip Ruislip Road,
Gullane Corner
West Thurrock Lakeside Retail Park

SOUTH EAST

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(Nr. Civic Hall)
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Redhill London Road, (Nr. Royal
Berks Hospital)

SCOTLAND

Southampton Shirley Retail Park,
231-239 Winchester Road
Southgate Cribbs Causeway,
(Junc. 17, M5)
Cardiff City Link, Newport Road
Somerset Valley West, Linkhouse

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Leicester Grove Farm Triangle,
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Northampton Bridge Street
Nottingham Huntington Street
Wolverhampton Stafford Street
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WEST

Wales Abergavenny Centre,
Whitchurch Road

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Scotland Road

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Glasgow Great Western Retail
Park, Great Western Road

WORLD OF LEATHER



THE VALERIE GROVE INTERVIEW

Biographer Sarah Bradford hopes she's got into the Queen's mind

The Queen doesn't think of herself as 'winning hearts'

Sarah Bradford, alias Viscountess Bangor, publishes her new biography of the Queen in celebration of Her Majesty's seventieth birthday this spring. Forty years ago, as Sarah Malet Hayes, aged 17, she curtsied before the young Queen Elizabeth as one of the last debutantes, "filing past" wearing a beige, grosgrain dress with guipure lace, long white gloves and an afghan hat.

Now she is a grandmother, a tall, handsome woman of 57 with a patrician voice and an agreeable tendency to find things hilarious — "I laugh at almost everything, don't you? Doesn't one?" she says — supporter of Liverpool FC and author of five thorough, highly respected biographies on a variety of characters: Cesare Borgia, Benjamin Disraeli, Sacha Sitwell, Princess Grace of Monaco and George VI.

The George VI book ("a portrait of the late King which is lucid, convincing and admirably fair" — Philip Ziegler) went down very well with Her Majesty: a great help when undertaking this book. "The Queen doesn't read books much, except about the horses: but she kept George VI on a table by her desk, and, I'm told, didn't find any mistakes."

She was born in Bournemouth — "so dull" — in the bridge-playing set. "Father was a regular soldier, very clever, a great reader, introduced me to books; my mother's family were thick as planks. That side didn't expect me to do anything except marry someone with money — and a title, with luck."

She achieved the title by marrying in 1976 her second husband, William Ward, now Viscount Bangor, whose parents ran the Portobello Road antique shop called Trad. Lord Bangor operates his antiquarian bookshop business from home, hence the chill in the upper rooms of their small house at World's End, with its tiny garden where a nightingale sings at midnight.

While reading history at Lady Margaret Hall, Oxford, she met her first husband and went off with him to Sardinia, Barbados ("a long way from Bournemouth") and the wild Douro Valley in Portugal.

The Queen: "She doesn't court popularity"



Here she wrote her first book, *The Englishman's Wine*, in 1964, still regarded as the standard work on port. "There was a terrific hoo-ha over a woman writing about port. I was like Dr Johnson's woman preacher." She was photographed in a glamorous Rive Gauche trouser suit, her hair in a beehive.

Then George Weidenfeld "butterfly-netted" her while she was staying with Ronald and Marietta Treu at their Tuscan villa, and a new career as a biographer began.

But it is one thing to spend weeks in university libraries in Austin, Boston or Tucson — "I adore archives and papers" — to discover, for instance, the late Sacha Sitwell's confessions of affairs in his diaries.

or scandals erupt. Everything then seemed tickety-boo. "So much so that when I began, people would react as they did when I was writing George VI: 'Goodness, how dull.' But I was fascinated by it all — to find out how this incredibly important woman operates, what she's really like, how she thinks, the whole upstairs-downstairs thing. After George VI it seemed familiar ground, and I did get rather bitten by it."

"It isn't an everyday world in any way. The royals have their own role models, who tend to be their predecessors." The Queen inherited the dutiful, dignified manner of Queen Victoria, whose vow was "I will be good." Even as a small child she was disciplined, punctual and orderly. When she was two, Churchill noted, "She has an air of authority and reflectiveness astonishing in an infant." She also inherited the "canine" looks (Bradford's apposite word) of her grandmother, May of Teck.

It was Queen Mary who decreed that royal ladies should not smile. "Too awful! Smiling" she would comment if a royal smile were captured on camera. Hence her own severe mask. "I think the Queen Mother changed all that. She has a smiling sort of face, while the Queen, on some days, seems to be fixed in her Miss Piggy mode."

Or to be told, of Princess Grace — "my teenage idol, the ice maiden" — by a producer friend at a party: "Do find out which of her leading men she didn't sleep with."

It is quite another to have to rely chiefly on the unpublished testimony of the royals' friends — and with your subject very much alive. By far the most enthralling hints, in her notes on sources and acknowledgements, are the words "private diaries", "private, unpublished memoir" and "private information". In the Queen's circle, she found, people make a frantic fuss about confidentiality, but will agree to talk if it is strictly confined to something like the fertility rates of the Queen's stud mares.

She embarked on the book in 1990 before the junior royal marriages began to dismantle

There is the sad story of Crawfie, much of it from the Beaverbrook archive in the House of Lords, including the heartless letters from the *Sunday Express* editor John Gordon. "The Express papers were obsessed with royalty, although Beaverbrook wasn't keen on the Royal Family, and they weren't keen on him either. He had a real vendetta against Mountbatten."

Her Majesty's alleged disaffection with Mrs Thatcher, which caused such a fuss when leaked in *The Sunday Times*, was Sarah Bradford found, well sourced. "Well, they don't like opening hospital wards and then having them shut, and Mrs Thatcher certainly saw 'that woman'.

They can't have had a single thing in common. The Queen would have approved of Thatcher's patriotism, but then she's very conservative with a small c. She is apolitical like her father, but gets on better with Labour prime ministers than with the Tories. She's very intuitive, very bright on politics."

Since Robert Lacey's *Majesty* book 19 years ago, writing about royal lives has become commonplace, and an increasingly intrusive spotlight has been turned on them. To write with both authority and discretion remains tricky.

Rebecca West said that the monarchy is "a presentation of ourselves behaving well", but, as Ms Bradford says, when the Queen tried to preserve some kind of "normal" life for her children, they began to behave just like their contemporaries, and in some ways worse. So the overall picture of royal family life is not edifying outsiders in the family get severely tested or frozen out.

There is, Ms Bradford says, a naivety about the family's socialising: they end up making terrible connections with appalling people, "blinkee" living in Hampshire — that's their reality. They make marriages out of propinquity. You only have to live next to them in Norfolk. Nothing propels like propinquity, as P.G. Wodehouse says.

The smallness of the royal circle of friends is very striking. They have to get others to draw up lists of suitable people to be invited to their bigger parties. The Queen Mother is rather different: she takes her



Sarah Bradford, biographer of George VI and the Queen, says: "I was fascinated by how this incredibly important woman operates, how she thinks"

own initiative, she wasn't brought up royal, she's like a social lady of her time and class, which is Queen is not."

Gathered in one volume, the remorseless stream of family disasters in recent years, the galloping divorces, the taped telephone conversations with lovers — what Julian Barnes called "the sexual and marital foetidology of the Queen's whelps" — the scandals surrounding embarrassing new in-laws such as Major Ronald Ferguson, the rumours over paying taxes, the horrors of IRA madmen creating mayhem, such things might overwhelm a lesser woman. And it could not have happened to a more upright person. But Her Majesty stands from it all, a still, small, imperturbable voice, carrying on. Only in her *annus horribilis* speech, delivered with a heavy cold, did she come near to expressing dismay.

Prince Charles, in Ms Bradford's view, is "obviously a sweet, goodnatured person, not as clever as he thinks he is, who has been spoilt by his entourage and undermined by his parents". Princess Margaret is bolstered by the Queen's support: "She understood the willfulness, which was really the fettle beatings of wings against the wall."

Margaret has had a bad press as a spoilt, difficult, demanding woman," says Ms Bradford. "And she concludes: "Despite the fact that, as friends admit,

she is a difficult man and the Queen finds him difficult", she adores him and defers to him, which seems all the more strange to observers in that everyone else defers to her."

She hopes she has managed to get inside the Queen's mind: "That's the whole point of being a biographer, to know why they think as they do. I do admire her very much — even though I don't go racing, I am not interested in horses, and I can't say we are the same sort of person." Her original conclusion had been that the Queen might be criticised for not interfering enough in her family's problems — "She cannot behave like Queen Victoria did with her children. Princess Anne would never marry the person of her mother's choice."

Did she find herself reading in the tiny questing footsteps of Kitty Kelly? "No, because I think with her people really closed ranks, I gather."

"In Edward VII's day the whole point was not to divorce. A woman might expect a man to go missing about but not to treat her badly. Edward was extremely nice to Queen Alexandra, despite Mrs Keppel and Lillie Langtry. You treated your wife all the better if you were having an affair."

And she concludes: "Despite the fact that, as friends admit,

found, as other royal historians such as Elizabeth Longford found, that the story has changed almost daily. First came *Panorama* — "Diana setting out her stall, putting the blame on her husband, letting it be known she would not go quietly." And in Christmas week, just when Sarah was packing to go to Morocco, there was the Queen's letter suggesting that Charles and Diana divorce.

This is in direct contrast to what the Palace had told me that the Queen will not get involved. I think she was particularly struck by Diana's saying that Charles was not fit to be a king. And her refusing to go to Sandringham was the final straw. Although the Queen doesn't want to take sides, in the end the monarchy has to happen sooner or later. I am

glad she has acted. It is her job to look after the monarchy. I'm a monarchist too."

Sarah Bradford ended her six years of work with a strong liking for the Queen. "I find her totally admirable. And I think there is a lot of affection for her. Queen Elizabeth the Queen Mother and the Princess of Wales may be the stars, the mega-celebrities. The Queen does not play that game. When outsiders come into the family they have to learn to wave and smile because people like it. The Queen doesn't think that way."

"She innately knows how to do the job. She does not court popularity. She does her duty. She is fascinated by people outside, and wants to know what's going on, but doesn't think of herself as 'winning hearts'. That's not her thing."

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the Queen and Prince
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made it the most
loving of royal
partnerships

THE TIMES

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Revised Inter

CURRENT ISSUE

Philip Howard



■ Hellfire is too satisfying an idea to be abolished by Church of England fiat

So the Church of England has ruled that Hell exists and that we shall all face a Day of Judgment. Such Anglican certitude is as welcome as it is unusual. However, the bad news is that it has ruled out the fire and brimstone, and the devils with red-hot toasting-forks. From St Paul to the latest millionaire evangelist, with fleets of Ferraris and doxies (both scarlet) offscreen, hellfire preachers have always frightened the collection out of their congregations by this threat.

Eternal damnation, preferably with the *peine forte et dure* (in the French torturers' term), and a squillion times more painful than the worst tortures on Earth, is a particularly attractive notion for mankind. Especially if it is used to punish one's enemies — such as the infidel, heathen, and of course rival sectarians. Such sadism goes back long before the jolly Marquis and even Christianity to Prometheus having his liver eternally transplanted by vulture's beak, Sisyphus rolling his briefcase up the down escalator, and starving Tantalus tantalised by delicious food and drink just out of his reach. Without internal brutality, such Surrealists as Hieronymus Bosch and Quentin Tarantino would find their occupations gone.

And the loud literary form of the hellfire sermon would lose its force. The mythical example is the Wee Free Minister in the Hebrides ranting the fear of God at his congregation: "And in that terrible eternity, when ye are roasting in burning oil, ye will look up and cry, 'Lord, Lord, we diena ken!' And from His throne of infinite malice, the Lord will look down and say, 'Well, ye ken noo.' The story may even be true on Harris, where they put lobster pots over the cocks on the Sabbath to stop them pleasureing the hens.

But the authentic hellfire sermon was hardly less alarming. Here is the unapologetically named Puritan, Christopher Love, in 1650: "When thou art scorched in the flames, when thou art howling in thy torments, then God shall laugh, and His saints shall sing and rejoice, that His power and wrath are thus made known to thee. And from the other side of the bloody pulpit, here is the royalist fellow of All Souls, Jeremy Taylor: "Hell could not be Hell without the despair of accursed souls; for any hope were a refreshment, and a drop of water, which would help to allay those flames, which as they burn intolerably, so they must burn for ever."

The theological argument against devils with toasting-forks asks why a good God would allow anyone to be deprived of Him, let alone suffer the torments of the damned for ever. Part of the paradox is said to be that it was a generous act to give human beings the ultimate free will of rejecting the good for ever. Some generosity! The Marxist (Groucho) argument goes that a good guy would not want to go to any heaven that would admit him as a member, out of fellow-feeling for those condemned to the other place. The company of Don Giovanni and Julian the Apostate sounds more fun than most of those saints and preachers, popes, Dr Paisleys and martyrs.

It is a literary truism that Satan rather than Adam, Eve, those indistinguishably priggish archangels or even God Himself is the romantic hero of *Paradise Lost*. You meet a much better class of sinner in Dante's *Inferno* than in the *Purgatorio* or *Paradiso*. That heroic regicide Brutus ends up in the bottom of the freezing pit being chopped by Satan himself. But Dante reserves his love and best lines for such miserable sinners as the lost lovers, Paolo and Francesca, Virgil, and his old tutor, Bruno Latini.

Death is going to be less interesting without the boiling pitch and the screaming devils. But even though the Church of England has ruled that Hell theologically incorrect, it is too satisfying an idea to go away. Zealots, sadists and nutters will keep it going. Martin Luther was a witty man, though much obsessed with Hell and influenced by the mortal cruelties of the Reformation. He was pestered by a young theologian with the question of where God had been before He created the world. Finally Luther snapped: "He was building Hell for such presumptuous, fluttering and inquisitive spirits as you are." Right on. Martin. Hell is not just other people. It is also strictly for other people.

Hell is not as bad as it is depicted — *Anglican report*



The diva with a shadow

Elisabeth Schwarzkopf stands accused of being a Nazi. But what would any of us have done in her position?

decorated by the Queen as a Dame of the British Empire. And now, someone has written and published a book about her and her career.

Tush: there must be a dozen books about her and her career: I have one on my own shelves, and I would feel odd if I hadn't. For you see, the famous person we are discussing is Elisabeth Schwarzkopf, one of the most wonderful opera singers the world has ever heard.

I started with the words "For you see", but you cannot possibly see until I have explained. I said that someone had written a book about Elisabeth Schwarzkopf, and such books are standard in the operatic world: but even the most self-satisfied luvvie (and the luvvies in the world of the opera are self-satisfied indeed) would shudder on seeing such a book as the one that has just been published, written by Alan Jefferson (who?) and published by Victor Gollancz. (Gollancz himself died many years ago and his business was long ago swallowed up by Cassell, but the publishing world has a generous and charming practice which leaves intact the imprint of a long-dead publisher.)

Now the book says, in the most vigorous terms, that although Elisabeth Schwarzkopf was indeed a most wonderful singer, she was also a deep-dyed Nazi throughout her entire time in Hitler's Germany and quite possibly after. (There is another way aspect to this story: Gollancz himself would have been horrified twice over to learn that Madame Schwarzkopf was being attacked, once because of her miraculous singing, and second and more important: because Gollancz spent thousands of hours on reconciliation between Germany and Britain — indeed, the world!)

And here we are again. But we are no longer talking about the doddering figure with one foot in the grave; we are talking about a musician of genius and her past. And her past, for many people, is more recency by any means; in 1992 she was not a recluse by any means; in 1992 she was a

interesting than her genius, particularly for those whose relatives died in the gas-chambers. Before you shout me down, kindly listen to this:

I obediently declare herewith: none of my parents or grandparents has ever been killed at any time to the Jewish religion, nor have I ever been married to anybody of non-Aryan descent. . . . I vow to be true and obedient to the Führer of the German Reich and people, Adolf Hitler, and to fulfil my duty conscientiously and unselfishly.

That as you may have guessed, was the form of induction into the Nazi Party. And that was Elisabeth Schwarzkopf signing on as a fully fledged member, number 7,548,960. Now you can shout. Particularly because there is proof that after the war, when the Nazis were being sorted out from the innocents, she claimed that she had never been a member of the Nazi Party, and repeated that lie several times until finally she gave in and told the truth.

Now then, singing beautifully and being a Nazi is not necessarily the same thing, nor the opposite of it. If you made a list of arts — in music, in the theatre, in painting and sculpting, in writing itself — and then counted up the whole number of German artists who carried on their trade after being fully induced into the Nazi Party, how many would the list contain? And then, after the war, count the number of such figures. Three-and-a-half, would you say? Where is the ruler that always rules straight?

Elisabeth Schwarzkopf signed up as a Nazi, true to her leader, Adolf Hitler. And what did that mean? That she would, every Saturday, murder a specified number of Jews? Reader, would you like to live between the devil and the deep blue sea? Her signing on as a Nazi meant nothing other than "I want to go some time coming."

Take it from me, you pillow-heroes, when your time comes, most of you will suffer just as much trembling of the hands as any ordinary coward like me. Who will demand that Elisabeth Schwarzkopf must be braver than anyone else?

Not me. She was weak, perhaps, and more to the point — she wanted cheers. What artist of the stage doesn't? (I don't think even Hitler would reject them.) But above all, in this story, there hangs one more aspect, and it is this. We cannot measure, let alone understand, what a life in the Third Reich meant. When you and I can understand it, then, but only then, may we rebuke Elisabeth Schwarzkopf. Let the rebuke will be some time coming.

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• Preparations for the gee-gee week in Cheltenham in March have started at the first hurdle. Work started this week on erecting the mammoth tent village to accommodate thirsty Irishmen and corporate punters, but yesterday John Atwood and Co, the trusty suppliers of the tentage and furniture, saw its warehouses go up in smoke. I am assured everything will still be set when the gun goes off for the Supreme Novices Hurdle.

Just possible

THESE ARE trying times for Tom Cruise. He has been dragged back unexpectedly to Pinewood to add some finishing touches to the feature film *Mission: Impossible*, which he thought he had done with last year. The reshoot is proving a tougher assignment even than the most arduous stunts performed by his on-screen character.

His co-star, the agreeable French actress Emmanuelle Béart, is now very obviously pregnant, whereas she wasn't when filming started. "The cameramen are using all their ingenuity to film her so that it doesn't show," says a stagehand.

P.H.S

Are there still two nations?

The North-South divide is no more, says Paul Barker

Does the North still exist, in the old sense, as chronicled in a thousand novels and political tracts? Can one still talk about a North-South divide? On Monday, BBC2 begins a nine-part saga, *Our Friends in the North* — "three decades, four friends and the world that shaped their lives" — which assumes that you can.

Certainly, the North-South divide is a phrase still much used by politicians. It was behind the Labour Party's proposals for English regional assemblies, to complement its devolution schemes for Scotland and Wales. Tony Blair has backed off, pending further evidence that local people actually want such assemblies. But if regional divisions are still so great, why don't they show much enthusiasm? Perhaps the North-South divide has gone the way of the dodo and the great auk. Always trust the people.

The starting point of *Our Friends in the North* is Newcastle upon Tyne in the 1960s, when T. Dan Smith, the local Labour Party boss, said he would do anything to pull the city and its region up by their bootstraps. Newcastle would rival Stockholm: clean tall tower-blocks, motorways, new towns. The means mattered less than the ends. Smith and the omnipresent architect-developer, John Poulsen, ended up in jail, for corruption.

The memory of Smith as the self-proclaimed Cock o' the North — and of his equivalent city bosses across Britain — is enough to make anyone pause before thinking that regional baronies are the answer. Such bosses had little heed for aspirations other than their own: biggest was always best. A Labour spokesman recently confessed to me that he worries that if his party forms the next government, it will be off again, thinking that all it need do is build, build, build, like those old city bosses, as if bricks and mortar alone would create the New Jerusalem.

It sometimes seems that all that is left of Smith's flawed ambition is a Scandinavian-style City Hall in Newcastle, and depressed, workless Tyneside and Teesside towns linked by fast, empty roads. Newcastle vies with Manchester for the title of car theft capital of England. Cleveland (that is, Middlesbrough) is better known for child-abuse than for its old steel-making industry. But things are never so simple.

England has changed over the past generation in ways that men like Smith never foresaw. Undeniably, regional disparities exist. One yardstick of prosperity is that fewer people in the North have cars. One yardstick of achievement is that pupils do less well in their GCSEs. But on many measures, North and South have become more closely knit.

For innumerable northerners (myself included), the thing to do was simply to get out. There was room in the South. But the transformation of the economy from industry to services has changed all that. A third of school-leavers across Britain now take degree courses. Nowadays, not all graduates feel they have to take the next train to London. Jobs to suit them have grown up everywhere.

Measured in miles, the North may still be as far as ever from the South. But in hours, distances have shrunk. As a child in Yorkshire, I regarded a trip to London as a rare adventure. Now, from Leeds, London is one place to go to for a Saturday night out. When Eurostar opens its northern service, Paris will fall into the same category. In *Our Friends in the North*, local councillors can be bribed by a trip to exotic Spain. The past is another country: it was much more parochial.

None of this means that England — or Britain — is no longer a nation divided against itself. It is just that the divide has shifted.

The great division now is between the suburbs and the city. (And, these days, small towns and the countryside are often a kind of suburb; people sleep there but work elsewhere.) The greatest poverty is in cities, whether North or South. And the greater the city, the greater the poverty.

Nowhere are the divisions deeper than in the Capital. The 1995 edition of *Regional Trends* puts the average gross household income in London at almost £432 a week, a good £100 higher than in Yorkshire. (Remember that life in general, especially housing, is much cheaper in Yorkshire.) And yet London contains the three worst-off local authority areas in England: Newham, Southwark and Hackney. Several other London boroughs rate little better.

Recently I walked around parts of the North-East which reminded me of the worst tracts of the United States: desolate and despairing. Men stood by colliery gates watching the pithead being demolished. I went into the Meadow Well estate, outside North Shields, where rising flared up in the summer of 1991 and has still not recovered from its wounds. No one should underestimate such social tragedies. The North, alas, still has plenty to grieve over.

But if you want to peer into what the social investigators of Victorian England called "the abyss", you must go into the dark heart of our cities. And, in particular, London. This is today's most painful divide.

The author is a senior fellow of the Institute of Community Studies.

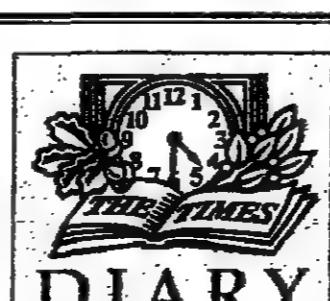
Lofty view

PIGEON-FANCIERS are in a flap about birds which get as high as — well, a pigeon. For the first time, the Royal Pigeon Racing Association is considering changing its rules to ban performance-enhancing substances.

Pigeons have long been suspected of drug-abuse, with fanciers slipping their birds cortisone to boost stamina and prevent moulting. The problem until now has been to catch them at it, but now developments on the Continent mean that drug tests can be carried out on droppings. Hitherto, any test would have required a blood test, risking the bird's life.

"The association has got as far as appointing a committee to look into the matter," says David Glover, editor of *British Homing World*. "The Belgian authorities have already put out a list of banned substances, and at least three fanciers there have been banned from racing."

The association says that the subject will be raised at its annual general meeting next month: "There is a proposal that we should put in place various rules and regulations with regard to performance-enhancing drugs and substances."



For all the huffing and puffing at one Nation Toryism, support in the party seems to be dwindling. The first One Nation

Would you buy...?

BRENT Borough Council wasn't the easiest vehicle to steer when it came to policy decisions, according a former chief executive, Michael Richard, who is now Permanent Secretary at the Department for Education and Employment. The magazine *Building Design* has invited them to design a new week.

The saga of the deputy mayor's car proves his point, he says. On a Monday, members decided that the car should be done away with. On Tuesday, they changed their minds, but on Wednesday rever-

sed their decision. On Thursday, Richard was instructed again to sell it. But the Labour group set a high sale price, hoping to keep the car. Richard claims they hadn't reckoned with his skill as a used-car salesman. And to Labour's disgust, he sold it to the leader of a Conservative authority.

• One of the more harmless ob-

sessions of book-collectors is the

pursuit of "association copies":

books from the libraries of famous

people, particularly other writers.

This occasionally throws up pecu-

liar conjunctions. But for bear-

ers, can anyone match an item

recently on offer in Cecil Court in

London: the first edition of James

Joyce's *Finnegans Wake* — with

the ownership signature of the au-

thor of *Mary Poppins*?

Palace prize

AS the Princess of Wales busies herself again with the plight of the homeless, architects are applying their minds to her own accommodation.

The magazine *Building Design* has invited them to design a new week.

Offering £1,000 for the winning

entry to be judged by the pan-

elopment architect Will Alsop,

the magazine says: "To cheer up

DI

Are the
still a
nation?

THE CHIEF STOKER

Thatcher's challenge to the Conservative Party

Happiness is not a word that springs naturally to mind when contemplating the Tory party in its present doldrums. Happy, nonetheless, is any party that has core beliefs in which it can take pride, and a statesman who can articulate them with the conviction that Baroness Thatcher brought to the Keith Joseph Memorial Lecture yesterday. Labour, whose task is, as Tony Blair understands, to reinvent itself, can call upon no such stimulus; and stimulation was consciously what Lady Thatcher set out yesterday to provide.

John Major, of course, is not looking for stimulus over the coming months, quite the reverse. Barely 36 hours after he had produced his own cautious strategy for the next election, his predecessor proposed ideas that could hardly have been more different. The Major approach, set out at a breakfast with businessmen on Wednesday, is to find a consensus position, however limited, around which his party can unite, a position based on past economic successes, future economic prospects and the threat that Labour will destroy both. The Thatcher alternative is to confront the party Left across a broad range of policies, Europe, public spending, taxation and crime, disdaining unity as an end in itself and creating a position that most clearly differentiates the Tories from Labour.

For months now Mr Major has been calling for a One Nation Conservative Party and a rally on the centre ground, where right and left-wing rebels would march back together into the party tent. Yesterday Lady Thatcher described One Nation Tories as No Nation Tories and the centre ground as a slippery place inhabited by unprincipled spin-doctors. And she said it all with a certain nostalgia, as though she alone was now saying what needed constantly to be said. She praised the "habit of freedom" underpinned by sound institutions which appealed to Britain's shared instincts and traditions. Conservatives, she said, needed no lectures about society — about "the importance of custom, convention, tradition, belief, national institutions or what the ancient Romans would describe as 'piety'."

LACK OF SLACK

Health reform should not mean higher risk

A 65-year-old man dies in hospital in Scarborough after being flown by helicopter 80 miles from Bradford, where a doctor's staff had struggled for several hours to find a bed closer at hand. In a Liverpool hospital, 35 patients spend the day on trolleys in the accident and emergency department, one of them for 22 hours. While the reforms of the health service gradually deliver shorter hospital waiting lists and a more efficient use of NHS resources, the flow of cases which require desperate search for scarce beds has not stopped.

Must reform mean risk? The political phrases which pour forth after each bed shortage drama obscure several simple truths. The imbalances between supply and demand in the volatile and expensive "acute" sector revealed by these cases do not throw the principle of pursuing efficient healthcare into doubt. Two quite distinct areas of hospital administration are under pressure: provision of highly specialised intensive care beds and capacity for accident and emergency admissions, mostly in big city hospitals.

To lump every complaint over shortage in the NHS into one allegation that a sacred principle is being trampled on, as Labour's health spokeswoman Harriet Harman did yesterday, is a breathtaking refusal to look the facts in the face. This week's cases revealed that a fundamental principle was under threat, she said: "that when you fall ill and you need treatment you get it when you need it." No government, as Ms Harman is well aware, can operate the NHS on that basis: it would be agreeing to meet all

demands made of it, however high they rise. The Government has already uneasily admitted that the pressures on intensive care, accident and emergency departments are a problem. Last March the Health Secretary agreed to review intensive care after a clutch of problems were revealed. This week, the Department of Health circulated best practice guidelines and permission for some casualty work to be done by lesser-qualified staff in an attempt to ease the effects of staff shortages.

Demand is rising. The British Medical Association found that emergency admissions to hospitals had risen by 13 per cent in the four years to mid-1994 and more than 6 per cent last year. The reasons for the rise are debated but the increase is undeniable. This change has coincided with a higher occupancy rate for hospital beds and a remorseless and highly successful drive to cut waiting lists for non-urgent operations. If the Government is to prevent reasonable public concern over very ill patients being shuttled around the country from undercatering its long-haul reform of the NHS, ministers must show that they have not simply ended long waits for hip replacements by extending the delays in casualty departments.

The DoH yesterday invited one of its retired Chief Medical Officers to look at how GPs grapple with hospital shortages. He might usefully consider extending London's emergency clearing service for hospital beds to areas such as Yorkshire and the North West where other tragedies seem otherwise ready to happen.

UNAVAILABLE VENABLES

Of court cases, contracts, cups and coaches

No theme will be discussed in pubs tonight with as much verve as that of Terry Venables. The coach of the England football team — to inform those who have only just returned from the Moon — has declared that he will be unavailable to coach the national side after the end of the European Championship later this year. This has provoked a predictable cascade of passion and punditry. Is he right? Is he wrong? Should he? Shouldn't he? Why? Why not?

Apart from his record to date — played 14, only six won — Mr Venables is no ordinary coach. Allegations about his business affairs hang over his head like a swarm of gnats: indeed, that swarm was there in force when the Football Association chose him for the coach's job in 1994. His diary this year is as crowded with unfriendly fixtures at the law courts as it is with football matches. That in fact, is one reason that he has decided to give up the day-job after Euro '96. England will then begin the arduous yomp to qualify for the next World Cup, and Mr Venables thinks that his appointments with the judiciary will stop him from giving England's footballers the attention they deserve.

He is right, of course, even though the fuss ignores a simple fact: Mr Venables promises to drive the stouest of men to distraction. But before the judge's gavel comes down, let us allow him to win the European Championship for England... or try.

He guaranteed that the FA would have kept him on: current form suggests that it would not. If the "Unavailable Venables" story has caused a storm, it is, largely, a storm in a

cocktail cup. The FA should not have picked him to begin with: he did not come with a "controversy-free" guarantee, and was not even the most skilled man for the job. His appointment was born more of desperation than of clear thought. Gerry Francis would have been more appropriate than Mr Venables: he must be in the running again. Mr Francis has always enjoyed the vote of his own football correspondent, for his knack of making a silk purse out of a sow's ear — exactly what English football seems at present to need.

Makto no mistake, however: Mr Venables is not a bad coach. Our footballers have his company till the end of the season, and to the end of an important continental campaign. It is in their interest that the coach, having made up his mind about his future, be allowed to shepherd them in the manner that he thinks best. Mr Venables may have his battles in the court later. Three cases of libel and one for wrongful dismissal are enough to drive the stouest of men to distraction. But before the judge's gavel comes down, let us allow him to win the European Championship for England... or try.

LETTERS TO THE EDITOR

1 Pennington Street, London E1 9XN Telephone 0171-782 5000

China's record in dealing with unwanted children

From Mrs N. A. Vale

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COURT CIRCULAR

SANDRINGHAM, NORFOLK

January II: The Queen and The Duke of Edinburgh were represented by The Prince of Wales at the Memorial Service for Monsieur François Mitterrand (formerly President of the French Republic) which was held in Notre Dame Cathedral, Paris, this morning.

BUCKINGHAM PALACE

January II: The Princess Royal today visited West Yorkshire and was received by Her Majesty's Lord-Lieutenant (Mr John Lyles).

Her Royal Highness, President, The Princess Royal Trust for Carers, this morning visited Leeds Carers Centre, Leeming House, Vicar Lane.

The Princess Royal, President, The Princess Royal Trust for Carers, this morning attended a Praising Lunch at Daresbury House, the Headrow, Leeds.

Her Royal Highness this afternoon visited Shipton College, Ex-hibition Road, Saltire, Shipton.

The Princess Royal, Patron, National Association of Victim Support Schemes, later visited Victim Support, Merseytree Branch, Parish Centre, St Nicholas Parish Church, Chapel Street, Liverpool.

Her Royal Highness, President, British Olympic Association, this evening attended a viewing of the film "Champions of Flame" at the British Olympic Appeal at Liverpool Town Hall.

Today's royal engagements

The Prince of Wales, as president, will attend a display of Prince's Youth Business Trust businesses in The Merchant Adventurers' Hall, York, at 10.20; will view city centre developments from 11.20; will visit the Law Courts, Castlegate at 12.25; The preacher at the Founder's Day service at All Souls, Langham Place will be the Rev David Evans.

Scholarships for sixth form entry in 1996 have been awarded to the following girls:

Queen's College, London

Term began on Monday, January 8, and half term is from Monday, February 19, to Friday, February 23, inclusive. The Entrance Examination for the School (II+) takes place on Friday, January 19. Term ends on Friday, March 28. The preacher at the Founder's Day service at All Souls, Langham Place will be the Rev David Evans.

Lord Grantham, QC

Princess Alexandra was represented by Major Sir Peter Clarke at a service of thanksgiving for the life and work of Lord Grantham, QC, held yesterday at St Margaret's Church, Westminster Abbey. Canon Donald Gray officiated.

RICHMOND PARK

January II: Princess Alexandra was represented by Major Sir Peter Clarke, the Service of Thanksgiving for the Life and Work of the Lord Grantham, which was held today in St Margaret's Church, Westminster Abbey.

Cavaliere Giovanni Guccio, chief mosaicist at St Mark's, Venice, examining one of the mosaics on the Albert Memorial in Kensington Gore which were made in Venice in the 19th century. Rain has damaged them and large sections are to be removed for repair as part of a £14 million restoration programme being carried out by English Heritage

BIRTHDAYS today

Miss Kirstie Alley, actress, 41; Mr Anthony Andrews, actor, 48; Mr Ernest Armstrong, former MP, 81; Miss Hazel Aronson, QC, Sheriff of Lothian and Borders at Edinburgh, 50; Mr Michael Aspel, broadcaster, 62; Sir Charles Ball, company director, 72; Mr H.C.H. Boardman, 77; Mr P.W. Botha, former President of South Africa, 80; Sir James Bottomley, diplomat, 76; The Hon Sir Richard Butler, former president, National Farmers' Union, 67; Miss Stella Cuniff, statistician, 49; Mr Keith Dawson, Headmaster, Haberdashers' Aske's School, 59; Mr Brendan Foster, boxer, 32; Baroness Haworth, 80; The Hon Sir Hilary Hazzard, 60; Miss Anne Howells, actress and dancer, 55; Mr Lord Justice McGowan, 68; Mr Denis Milne, former managing director, BP Oil, 70; Mr James Moriarty, former general secretary, Labour Party, 73; Mr Des O'Connor, entertainer, 64; Mr John Rennie, former Governor-General, Mauritius, 76; Sir Terence Stretton, diplomat, 66; Lord Justice Swinton Thomas, 75; Mr Peter Wilson, theatrical producer, 45.

Wax Chandlers' Company

The Lord Mayor has received a cheque for his St John Ambulance appeal from the Wax Chandlers' Company.

Mr Robert Gilbert has received a cheque from the company as the prize for the best paper submitted to the British Bee Keepers' Association in their 1995 competition.

Service dinner

HMS Victory Admiral Sir Michael Boyce, Second Sea Lord and Commander-in-Chief Naval Home Command, was the host at a dinner held last night on board the flagship HMS Victory, Portsmouth Naval Base, for General Jorgen Lyng, Chief of Defence Denmark (Danish Army).

Dinner

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